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The Week

THE spectacular increases in the prices of wheat, cotton and other agricultural commodities are being ascribed to various causes. There was a short winter-wheat crop, and weather conditions are bad for the new plantings of this and other grains. This is undoubtedly a potent factor. There is also the speculative movement attributable to the fall of the dollar in international exchange and the belief that higher prices will result from inflation. This is a purely psychological factor which is difficult to assess; certainly the fall of the dollar has not led to any great increase in wheat or cotton exports. Rising prices have stimulated the purchases, by millers, of wheat and especially of cotton, and these purchases have in turn reacted on price. Finally there is the anticipation of success for the administration's acreage-restriction program and for an international agreement to restrict wheat exports and production. Two things only are certain: (1) the rising prices are a powerful stimulant of general recovery, and (2) prices will fall again unless acreage-restriction plans succeed. For adverse weather conditions cannot indefinitely continue, there is little prospect for permanently increased exports, no matter how far the dollar falls, and advance speculative buying will eventually fall off. We cannot maintain the higher prices so long as production, year in and year out, runs ahead of average yearly demand.

THE speech of Mr. A. A. Berle, Jr., to the New York State Bankers' Association is so good that we hope it foreshadows a policy of the administration. He spoke of the Glass-Steagall Act as merely a transitional measure, to be followed by other legislation. He spoke of the necessity of bankers being only bankers, and said that they should develop a professional spirit and a sense of trusteeship, should divest themselves of all other private interests. With regard to the problem of organization, he said we had to develop a unified system and a central grouping in thoroughly responsible hands so that every bank would be as strong as the whole system, so that competition in regard to either deposits or credit would be ended, and so that the control of banks would not be thrown about irresponsibly from hand to hand. In some way the banking system must be given as sound a character as mutual-insurance companies or savings banks. His own solution of this problem would be "to take the control and sale of bank stocks out of the markets, and put it into the hands of the twelve Federal Reserve Banks, either by complete ownership or in other ways." An article in The New Republic some months ago advocated that the banking system be consolidated under the Reserve Banks as holding companies. We believe this is by far the best way —perhaps the only way—to a socially sound system.

NO SECTION of the Industrial Recovery Act seems likely to be the occasion for more bitter dispute than the provision that labor is entitled to bargain collectively. Naturally, both the American Federation of Labor and the radical unions have seized the opportunity to extend their influence, while, as was to be expected, open-shop employers appear to be laying their plans to circumvent the

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law. The Communists are protesting that Washington is engaged in a covert conspiracy to help build up the A.F. of L. at their expense—a charge for which we can thus far find no supporting evidence. The A.F. of L., and other conservative union organizations, likewise charge that the company unions which are now being organized hastily in non-union fields are a subterfuge to evade the law, and that they will not fulfill the intentions of the statute and permit genuine collective bargaining. It is, of course, too early to say whether these charges are true. The government obviously cannot prescribe in advance to any industry that its workers shall be affiliated with one group of unions or another, or shall abstain from such affiliation. If in practice it is found that unions have been set up which do not permit free and fair collective bargaining, the government has ample power under the law to step in and put matters to rights. We should like nothing better, if the necessity should arise, than to see a few millionaire coal operators, steel men or automobile manufacturers go to jail for violating the terms of the Industrial Recovery Act; but, thus far, we are aware of no evidence that such drastic action will prove necessary. The New Deal has produced no general moral reformation. People who acted with merciless selfishness in the past will doubtless try to continue to do so in the future. The difference is that a law has now been written which can curb such hoggish activities, and the men charged with administering it give every sign of intending to use it for that purpose.

JUDGE Horton's action in voiding the conviction of Haywood Patterson, first of the Scottsboro defendants to be retried, and in ordering a new trial for him, is being variously interpreted among the groups interested in the case. To some it seems an act of simple justice by a judge who had already proved his fairness during the trial itself, an act which makes it impossible for any of the other defendants to be tried again, or at least destroys the fear that they will be convicted if they are. To others, it seems a device to prevent bringing the Scottsboro affair once more before the United States Supreme Court, and particularly to prevent having that Court consider the dangerous question of whether Negroes are habitually refused the right to serve on juries in the Southern states. Which of these interpretations is correct can, obviously, only be determined in the light of subsequent events. If the other indictments are now quashed, and the defendants all set free, Judge Horton's action will be seen in retrospect as one of the few honorable actions by any representative of Alabama justice in the whole history of the affair. If, on the other hand, an effort is now made to try Patterson for the third time, or to proceed with the trials of any of his fellow defendants, it will be safe to assume that Judge Horton's action is a device at least to postpone, and perhaps to avoid, letting the United States Supreme Court pass upon the important issues which have been raised by the case. Thus far, there is no indication that the prosecuting officials intend to let the matter drop. On the contrary, they are making much of having found the mysterious missing witness, Orville Gilley, the white boy who is supposed to have seen the alleged assault upon Ruby Bates and Victoria Price, and the one of whom the prosecution so mysteriously failed to make serious use during the original trial.

MR. Charles E. Mitchell has been acquitted by a New York City jury of the charge that he had arranged a fictitious sale of securities to his wife in order to establish a loss and reduce his income tax. We do not know whether Mr. Mitchell was guilty; such evidence as was reported in the daily newspapers seemed to tend in that direction. We do know, however, that any jury of average New Yorkers would have been likely to acquit Mr. Mitchell, regardless of the evidence. They would have done so on the ground that he is a "good fellow," that he lost much of his fortune during the depression, and most of all on the ground that every other rich man has sold securities to establish losses and thus avoid income-tax payment, so that even if Mr. Mitchell's sale was fictitious, there was little substantial difference between what he did and what everybody else was doing. Much as we dislike Mr. Mitchell, for various reasons, we think that the most important lesson to be derived from his case is that the income-tax law must be changed to remove the temptation and opportunity for men to do as he did, whether within or without the sanction of the law.

THE defeat of the prohibitionists in Iowa is not only their worst setback since the repeal amendment was adopted by Congress: it offers the first solid evidence that the experiment noble in purpose will have transferred its nobility to the graveyard within the next year or so. The thirteen states which had ratified repeal before Iowa were all known in advance to be Wet; but in spite of the Literary Digest poll, which had shown almost a two-thirds majority against prohibition in the fairest commonwealth of the Corn Belt, the prohibitionists had insisted that once the matter came up in a solemn referendum, the great silent masses of church-going Puritans would turn out and vote down the obnoxious proposal. Yet nothing of the sort happened. Iowa went Wet by more than 60 percent, the Dry strength being only about 4 percent greater than the Literary Digest poll had declared. The New York Herald Tribune makes the plausible argument that any state which showed a smaller percentage of Dry votes than Iowa's in the Literary Digest tabulation may safely be counted as now in the Wet list. This means that in only twelve states have the Drys any hope, and twelve states are not enough to prevent ratification of repeal. Among these twelve states are Texas, South

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Carolina, Colorado, Nebraska and Virginia, all of which in previous unofficial polls have gone Wet by three to two or better. Does anyone believe that some, at least, of these states will not break away from the prohibitionist ranks? Such a supposition is nonsense. Unless the skies fall in on us, the battle is over.

REPORTS from Washington indicate that the President proposes to use his broad powers under the Industrial Recovery Act to end the destructive exploitation of the vast forest areas in private ownership in the United States. A specific major purpose of that act, as expressed in the preamble, is to conserve natural resources. The President, it is reported, has asked the National Lumber Manufacturers' Association, which meets this week in Chicago, to include in its Code of Fair Competition measures to end further forest destruction. Coupled with these provisions of the Code would be the creation of an extensive Forest Recovery Administration, which in the various forest regions, in close collaboration with officially recognized industrial agencies, would abolish destructive logging methods, and establish selective-cutting and sustained-yield forest management in place of the present system of forest "mining." The abolition of destructive overproduction of forest products would thus be automatically solved in the only possible rational way: by limiting the cut of timber to what can be produced by regrowth and enforcing methods of exploitation that will assure that regrowth. Under the now defunct laissez-faire political economy, the people of America have waited a whole patient generation and more for some sign of recognition on the part of the great forest owners of their responsibility to stop destructive exploitation. There has never been a genuine sign of such recognition; still less have there ever been any concrete steps to remedy the methods and machinery of destructive lumbering that have turned scores of millions of acres of virgin forests into ghastly and useless deserts.

THE familiar excuses of the timber owners are no longer acceptable. The country at last has an administration with the will and the power to wipe out the whole scandalous and unintelligent regime of "timber-mining." The question then is not, "Shall we do it?" but, "How can we do it with fairness to the forest industries and to the public?" The method to follow is a bold and decisive attack on the problem as a whole, with a categorical demand that forest destruction cease and at the same time an intelligent, sympathetic governmental program of aid to industries that are at least as badly harassed as agriculture. This apparently is precisely the procedure that the President has in mind. Considering that the forests involved in the President's program cover more than 300 million acres—almost ten times the total area of the splendidly managed forests of Germany—that they represent in timber alone a capital investment of $5,000 million, that if properly managed they will give year-long work to 2 million wage earners, and that under the present system this entire resource is being relentlessly wiped out of existence, it can be conservatively said that the situation now confronting the President and the forest industries constitutes the greatest opportunity for forest statesmanship in the history of the world.

THE announcement of the National Executive Committee of the Social Democratic party of Germany that it had established headquarters in Prague, Czechoslovakia, and would carry on its agitation work from there, furnished the Hitler government with the pretext it had been seeking to dissolve the party and arrest those of its important members who were still in the country. The Social Democratic groups in the Reichstag and the Prussian Diet had made an effort to counteract the announcement about moving to Prague, which bore the signature of Otto Wels, the party chairman, by declaring that the seat of the party would remain in Germany and that all party work would be conducted legally from central headquarters in Berlin. Obviously this declaration, which was signed by Paul Löbe, President of the Reichstag for ten years up to the Hitler era, was intended to appease the watchdogs of the government and to counteract the cry of "treachery" which arose when the Wels statement was made public. But this repudiation of the action of those members of the Executive Committee outside of Germany was of no avail. The Nazis met the decision of the parliamentary groups that no expatriate would be permitted to function on the Executive Committee with the demand that they be expelled from the party. The dissolution order followed, expelling all Socialist deputies from national, state and municipal legislative bodies and expropriating all party property for the state. For Löbe and his followers it solved a problem that might ultimately have resulted in splitting the Social Democratic party. Since then, Löbe and all outstanding members have been arrested. By June 27, 570 men and women had been taken into custody and arrests are still being made.

THE suppression of the Social Democratic party would have come under any circumstances. It is part of the openly avowed fascist program of the government, which is based on the elimination of all but the National Socialist party from the body politic. The outlawing of the Socialist organization was but the forerunner of a campaign of persecution directed against the two remaining political parties: the Centrist party with its Bavarian annex, the Bavarian People's party, and the German Nationalist People's party, now known as the National Front. The Catholic party of Bavaria has been in control of that important state since 1918 and has always been more conservative and reactionary than the mother organization. Its chairman, Prelate Dr.

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Leicht, was a staunch advocate of a clerico-nationalist government and worked systematically for the elimination of the Socialists from governmental influence and position. Nevertheless he was the first to be arrested and with him all parliamentary representatives of his party. The government justifies this punitive measure with the allegation that the party had carried on a campaign of sabotage against the Nazi regime and that it had supported, openly as well as covertly, the Dollfuss attacks on National Socialists in Austria. The same charge is now being made against the Centrist party, which naturally sympathizes with the plight of its Christian Social party brethren, knowing only too well that a National Socialist Austria would greatly diminish the influence of the Catholic Church. Its dissolution in the near future is a foregone conclusion, together with that of Hugenberg's National Front. The downfall of the latter is presaged by the systematic persecution of its affiliated bodies and by the arrest of many of its adherents. The rumored resignation of the once powerful and domineering Reich Minister of Agriculture, Commerce and Industry, after he had submitted to almost intolerable provocations and indignities at the hands of the National Socialists, has not yet been confirmed, but that he will be forced out in the very near future is certain. His resignation will relegate him to futility in Germany's political and industrial affairs under the dictatorship, and not even his string of more than one hundred newspapers will be able to prevent it.

What Kind of Internationalism?

PRESS dispatches from London have represented the Economic Conference as embodying a conflict between nationalism and internationalism. It was said that the United States, in declining to stabilize the dollar, acted on the side of nationalism, or that there was a split in the American counsels between internationalist Hull and nationalist Moley. We submit that this is an insupportable confusion of ideas. What nation at the Conference has been the bulwark of internationalism? Was France, in demanding immediate stabilization, the internationalist—France, which is the worst offender of all in the matter of prohibitive import duties and quotas? Is there a series of measures, consistently advocated by any one delegation or any part of one delegation, which are internationalist in their character, while there is another series of measures which are nationalist?

To try to make such a division is nonsense. It may be assumed as axiom A that every nation at this Conference, like every nation since nations came into being, acts in what it conceives to be its own interest. Axiom B is that no nation is now proposing, or ever has proposed, to sacrifice its own best interest, as it conceives that interest, in unselfish tribute to the good of other nations. When France argues for the gold standard, she does not do so out of primary concern for the welfare of the United States, but because she believes her own welfare will best be conserved by it. Free trade, when it was practised by Great Britain, was espoused as a national policy, and it made her rich. Free trade ideally suited the needs of an expanding manufacturing nation, where growth depended on exports of fabricated products and imports of raw materials. No one measure is, in itself, either national or international. Internationalism is not a group of specific policies, but a willingness of nations to cooperate on a common program—whatever that program may be. True internationalism must therefore be based on a conviction of the nations that the program agreed upon will serve their several interests. Any other kind of internationalism, like any other kind of coöperation among individuals, is insubstantial vapor.

The practical issue at London, therefore, is not between nationalism and internationalism, but between ideas as to the kind of program on which the nations can with mutual advantage unite. Every nation wants both to serve its own interest and to coöperate with others in serving the general interest. The significant dispute concerns how that may best be done, and the historical question is, whether it can be done at all under conditions existing at the present.

The conflict of ideas is beginning to take a definite and tangible form, as the position of the American government on the matter becomes clearer. What was first believed by other delegations and by the commentators to be a matter of indecision and divided counsels now is seen to be a view of the problem which has an inherent consistency, as well as numerous implications not fully explored. The American delegation is centering its ideas about the necessity of a controlled economy, while the French delegates and the conservative banking point of view are attempting to restore laissez-faire of the 1928 model. That was not, of course, thoroughgoing laissez-faire. It was internally inconsistent—it combined stable exchanges and the gold standard with tariffs, cartels and many other devices in the effort to restrict trade and safeguard profits.

We believe the American type of proposal, far from being an expression of exclusive nationalism, is, in essence, better suited to the requirements of internationalism than the French. To be sure, if you are to have a controlled economy, you must first establish your controls at home. Prosperity or depression arises within nations, not somewhere in the middle of the Atlantic, Pacific or Indian Oceans. And if one nation attempts to build a consistently controlled economy while others continue a policy of drift, coöperation between them on mutually agreed-upon aims is impossible. Under these circumstances, economic internationalism is severely hampered. But it is hampered, not solely by the nationalism of the country which wants control, but

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by the nationalism of all concerned. And if, on the other hand, all concerned agreed to pursue a policy of drift, we should have internationalism only in the sense of aimless and destructive anarchy. Indeed, an anomalous and internally inconsistent laissez-faire is bound to aggravate the worst features of nationalism.

But if the several nations could agree to pursue a policy of domestic control, if they had an idea as to what the movement of their price levels is to be, what they are going to produce and what they are going to consume, then the basis for real international coöperation would be laid. The relationships between currencies could be established. The needs for imports and exports could be realistically assessed. The future of capital and credit movements among nations might be predicted with some approach to accuracy.

There are hints of an understanding of the American position in this regard on the part of the British delegation. Indeed, the agitation for an expansionist banking policy and a rising price level as an essential preliminary to other international arrangements for recovery originated with this delegation in the preparatory commission. But now, apparently, the British are wavering because of the opposition of their bankers. They do not know how, or do not dare to try, to bring about the rise of prices which they have formerly declared to be necessary.

Perhaps, if the recovery already well under way in the United States continues, the pathway will be more clear. Prosperity is likely to flow from nation to nation, just as depression does. Rising prices here are likely to be accompanied by rising prices elsewhere. And the background of recent academic theory about the causes of price changes had led both the French and the British to misjudge what has happened, and what it portends for them. They have assumed that the active factor was what is ordinarily called inflation—that is, expansion of currency and bank credit. They fear the ultimate results of such inflation. But it is becoming increasingly clear that no inflation in this sense has occurred in the United States, in spite of our rapidly rising commodity prices We have about $10,000 million less bank deposits than before the banks closed in March. There has been no great issue of new or fiat currency. Every probability exists that if active business is restored, it will not require any excessive currency or credit expansion at all. The active factor has lain elsewhere—in the movements of business, agriculture and trade, coupled with plans for their better control.

When these facts are understood, it may be easier for the Conference to get down to brass tacks, to abandon the attempt to restore an old and discredited order and to see what can be done toward hammering out a new one by nations active both at home and abroad. This is, of course, a slim chance, but it is the only chance of even limited success for the Conference.

The Garrotting of Viennese Socialism

THE ATTEMPT of the Nazis to seize power in Austria has been checkmated temporarily. Dollfuss has won the first round—but it is only the first round, and there are others to follow. It seems likely that even this first round might have been lost by Dollfuss were it not for the firm, even if momentary, united opposition of England, France and Italy.

The victors are now trying to divide the spoils. If France and Italy, the two countries chiefly interested, can succeed in agreeing upon Austria's future international status, it may be the most momentous decision taken in Europe since the end of the World War, and will settle, perhaps for years, the course of political events throughout the Danube Valley. It is by no means certain, however, that they can agree. And if they fail, Hitler and his party may again have an opportunity to capture Austria.

Recent newspaper reports concerning Austria have been devoted almost exclusively to these rival intrigues of the Great Powers. It makes a story with the suspense and excitement of a detective thriller. However, far more significant is something so far unmentioned by the press. That is the final wrecking, amid these international plots and counterplots, of Viennese Socialism.

The Viennese are among the most sensible, gayest, most *gemütlich* folk on earth. After Austria's stunning defeat in the World War, they set out to create in Vienna a community where the great mass of the people could lead civilized, gracious lives, and where the horrors of joblessness, sickness and old age, as far as humanly possible, would be nonexistent. One of their great triumphs has been the well known Karl Marx Hof, largest workers' apartment house in the world, with its libraries, gardens, swimming pools and nursery playgrounds, and its rents based solely on cost of maintenance. This is an achievement unapproached by any other great city, and one which provides dignities and comforts for workers which are undreamed of in the United States.

All this now seems doomed. Dr. Dollfuss, because of the conflicting international pressure upon Austria, has been enabled to organize and arm his Fascist Heimwehr as a strike-breaking weapon, and he is slowly squeezing the Viennese Socialist labor unions to death If the Nazis should succeed in seizing power in Austria, the Socialist unions will fare no better. And it must be said that the Viennese Socialist leaders, caught as they are between the Heimwehr and the Nazis, are passively accepting their own destruction.

Post-war Austria ought to represent, for other countries, an example of valuable pioneering in civilized community life. The governments of Eu-

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rope, however, are ruled by the same ideas of dynastic politics which guided Richelieu and Louis XIV; they are uninterested in experiments in community life, and to them Austria represents primarily a military "bridge." At Vienna, the highways, railroads and airlines of the Balkans meet. Austria is the "bridge" between Czechoslovakia and Jugoslavia, two members of the Little Entente. It is likewise the "bridge" between the whole Danube region and western Europe. Whatever Great Power controls Austria, necessarily and automatically controls the Danube Valley, and is in a position to keep all other Great Powers out of it.

Since the World War, the Danube has been completely under French influence. Beginning in about 1924, Mussolini made repeated attempts to muscle into Jugoslavia, France's ally. These attempts failed badly, however, and in about 1928 Mussolini began to concentrate his energies upon Austria. His chosen instrument of policy was the feather-brained young Austrian prince, von Starhemberg, leader of the Austrian Heimwehr, who has been in receipt of a regular cash subsidy from Italy. For a considerable period, von Starhemberg was generally regarded as a joke. But last January, with the coming to power of Hitler in Germany, it was suddenly discovered that the Heimwehr was the sole organized force which could be used by the Dollfuss government to combat the Nazis in Austria. The Heimwehr thus became an exceedingly valuable political property.

The Heimwehr is the hub of the current negotiations between France and Italy. Mussolini is saying to the French, in effect: "With the Heimwehr, I can keep the Nazis out of Vienna. I am ready to keep them out permanently, but in return you must agree to recognize Italy's influence as predominant both in Austria and the Balkans." Specifically, Mussolini is asking the French to agree to a customs union of Austria, Hungary and the Little Entente, with which Italy shall have exclusive preferential arrangements.

The French Left is inclined to accept Mussolini's proposal, and there are rumors that Premier Daladier and Mussolini will soon hold a secret meeting at the French-Italian frontier. Publicists of the Left point out that France's small allies have cost unconscionable sums in bad loans. It would be criminal madness for France to go to war because of a Balkan dispute, and France would be much safer if it divested itself of all Balkan commitments. The one thing of importance is to block off Germany from the Danube Valley. If Mussolini will undertake this, France can afford to make Italy great concessions.

The French Right opposes any agreement with Italy. Its spokesmen argue that France is now the dominant nation of Europe; Italy, despite its pretensions, is essentially a second-class power. If Italy were to gain overlordship of the Balkans, however, it would be a potentially formidable rival of France. The wisest course for France is to refuse all concessions to Mussolini, and to create a bloc of Austria, Hungary and the Little Entente, with perhaps the inclusion of Poland, which will serve to checkmate both Germany and Italy in eastern Europe.

Hitler and his Nazis, during the next few weeks, will watch the French-Italian negotiations with agonized care. Hitler will do everything in his power to prevent Daladier and Mussolini from reaching an understanding. It may be that he will succeed. Meantime, amid these struggles of the Great Powers, Austrian Socialism is being quietly done to death.

The New Banking Law

THE SURPRISE attack of Senator Glass in behalf of the bill which bore his name has put the administration in the position of having completed its banking legislation. It is hardly a secret that the Treasury, the "Brain Trust" and President Roosevelt himself are considerably less than pleased with the measure as it was rushed through. It is easy to understand, however, that the President, faced with the urgent necessity of winning his fight with the Senate on the veterans' bill and adjourning Congress at once, was unable to lead a movement to amend the act drastically. To veto the bill, which contained a great many of the reforms which he had specifically advocated in his campaign speeches, would have been equally difficult. Characteristically he chose to make the best of it, and The New York Times quoted him as declaring that the new law was the best banking law since the establishment of the Federal Reserve System. But however ardently the administration may have wished that the bill had died in committee, it is now on the record, and the administration stands upon the record.

In terms of his campaign promises, President Roosevelt may allow himself reasonable gratification at having had laws enacted for the purpose of carrying out five of his six specific proposals. The promise to regulate security exchanges by federal authority is the only one which has so far not been treated by law. The Securities Act, described in previous numbers of The New Republic, attempts to curb misrepresentation in security issues and to impose responsibility upon those who cause the issuance or assist in the public offering of those issues. Those who drew up the bill modeled it after the English act, and there is nothing either very startling or severe in its provisions. Its limitations make it applicable mainly to new issues and its penalties are aimed only at gross negligence or dishonesty. Its importance is, however, that the burden of proof no longer lies upon the claimant for damages, but upon the defendant—the issuer or seller of the security.

The Glass-Steagall bill contains much more than the three sections which have so far received all

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the attention—the deposit-insurance feature, the provision permitting branch banking where state laws already allow it and the stroke at Morgan's and the moribund security affiliates of commercial banks. Its primary purposes appear to be to establish a unified banking system under the supervision of the Federal Reserve Board, whose authority is greatly augmented, and the Comptroller of the Currency; to control and curb speculation; to eliminate the conditions under which the "competition in laxity" flourished; and to make reforms in the banking structure that are designed to encourage sound banking practice. It further appears that the deposit-insurance feature was the price which Senator Glass, no less than the administration, had to pay in order to put the bill across.

The position of The New Republic on the subject of the guarantee of bank deposits has often been stated. Deposits ought to be guaranteed up to the limit of the credit of the United States. This is sound, however, only under conditions very different from the present ones. Not until full responsibility for control and operation of the banks is finally vested in the hands of the federal government is any guarantee of deposits wise. The Glass-Steagall bill, despite its progress in the direction of increased federal control, does not create this condition. Its scheme for the establishment of a Federal Deposit Insurance Corporation is one already discredited by the failures in the states which have tried it and discovered its inadequacies.

The bill provides for the capitalization of the Corporation by subscription of $150 million from the treasury, of approximately the same amount from the Federal Reserve Banks (one-half of their surplus) and at the rate of one-half of one percent of their deposits from participating member and non-member banks. From January 1, 1934 (unless the President sets an earlier date), until July 1, 1934, a temporary Deposit Insurance Fund will insure deposits of member banks and participating non-member banks up to $2,500 for any single individual's deposit. From July 1, 1934, until July 1, 1936, the Corporation will insure the deposits of member and participating non-member banks on the scale of 100 percent up to $10,000 of any individual's deposit, 75 percent over $10,000 and up to $50,000, and 50 percent in excess of $50,000. After July 1, 1936, only banks which are members of the Federal Reserve System are eligible for the benefits of the insurance plan. It is this feature upon which rest the hopes of the sponsors of the bill for an eventual unification of our banking system.

The act proceeds to make provision to pay to holders of the Corporation's non-voting stock (the member banks) 6-percent dividends. One of the jokes of the bill is that there aren't going to be any dividends. This the authors of the bill appreciated perfectly, and they took the trouble to provide that in case of a deficit, the stockholders should be liable to 100-percent assessment.

It is precisely at this point that the bill may fail. Apparently its sponsors believed that the public would demand the increased safety which the bill purports to ensure to banks which are participants in the Insurance plan. There is a real danger, however, that many of the large state banks which are now members of the system may refuse to put up their money to insure weak banks and will withdraw. Much of the talk at present may be only the result of anger, but there are a number of New York banks which are going to consider this question very seriously. Inevitably if any considerable number of banks decide to leave the system, not only will the present bill be a failure, but our entire system of banking will be so weakened that either the Federal Reserve System will lose its position of leadership or new and radically different banking legislation will be called forth. Perhaps this last result is the best that can emerge from the present bill.

It is highly regrettable that many excellent provisions of the bill depend upon so shaky a base as that afforded by the Deposit Insurance plan. Had the administration formulated its own bill for the creation of a single unified system under strict federal regulation along the lines suggested by the General Counsel of the Federal Reserve Board (see The New Republic of April 26) and then included in the bill the other features of the Glass-Steagall Act, the result would have merited a feeling that disaster does teach real lessons.

It is clear that nearly all of the provisions of the Glass-Steagall Act are dependent for their effectiveness upon the inclusion in the Federal Reserve System of an increasing number of banks not now members. If the depositors demand that their depositaries shall be included in the Insurance plan, then by July 1, 1936, the regulations of the act will apply to practically all the banks in the nation—in so far as they do not escape the regulations through the holding-company device, as John T. Flynn pointed out that they may, in our issue of June 28. If the strong banks decide to withdraw—and they will if they think they can get away with it—the entire plan of regulation and reform will fail.

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The New Deal in Practice

IN WASHINGTON you can see now the beginning of constitution-making for industry. The idea of political government is old, but, ever since the rise of capitalism, the sanctioned constitution of industry has been anarchy. The irrepressible disposition of man to arrange affairs has, of course, thrust through to temper this anarchy in dozens of ways. Individuals and groups have carved out great business principalities within which they could govern more or less absolutely. The police power of the state has been invoked to regulate, to check, to oppose. Labor organizations have, in numerous directions, compelled economic government. Competitors have attempted to organize coöperation, just as feudal lords centuries ago combined for mutual protection, in spite of their rivalry. But never until now—except under the extraordinary conditions of warfare—have these forces been brought into focus in this country, with the emergent purpose of acting as an industrial state.

What brought them together was, of course, another desperate emergency. It was obvious enough that the danger did not arise from an external, objective enemy. More and more the consciousness has grown that the chief enemy was inherent in anarchy itself. This recognition was not, in most individuals, so abstract as that. Each saw a particular danger—unemployment, low prices, ruinous competition, failure of credit, pressure of creditors, bankruptcy of debtors. Literally thousands of particular schemes were advanced to combat these particular dangers. But each scheme met the same obstacle—there was no central economic organization fitted to decide what to do, and having the will and power to do it. There were, of course, Congress and the President. They were sources of power, but they were not prepared to govern industry. Nevertheless the pressure to do something, and the particular suggestions of what to do, poured in on the new administration like a spring freshet. And those who were submerged in this flood were only too conscious that the main lack was of agencies to fit the suggestions together, to lop off the inconsistencies, to proceed with economic action.

Anyone who supposes that the economic program now launched was a conspiracy, conceived in camera before the election by a small junta of professors who had been to Russia, and put over on a reluctant Congress by the dictatorial power of the President, is incredibly naïve. Equally naïve are those who maintain that the whole business is a plot by Barney Baruch and the capitalists to get rid of the anti-trust laws so that they can exploit the people more effectively. Plots can achieve *coups d'état*, but they cannot affect the whole course of social organization. No accurate description of the process is possible in a few words, but it may be foreshortened as follows.

The presidential candidate who was destined to succeed was impressed by the miseries of the country and the innumerable demands for action. He called into consultation advisers who, he believed, could best sift the proposals. They hammered at the main outlines of a program of budget-balancing, farm relief, public-works expansion, international readjustment. They had ideas about economic planning, not formulated in detail. After the inauguration, most of the advisers went to Washington. Here the demands and the suggestions redoubled. What Congress passed represents, not plans original with the "brain trust," but a resultant of these manifold pressures. Even the farm bill, which is nearest to what the advisers had decided upon before the election, was much modified in the drafting. Congress voted the measures, neither understanding nor opposing them intelligently, but because prompt action was felt to be imperative, and this was the program put before them.

Out of the chaos of needs and pressures gradually emerges the outline of an economic state, sanctioned and underwritten by the political state, but with a new set of organs. I venture to say that, in the eye of the future, the particular policies adopted during the crisis will shrink into oblivion compared with the fact that here economic society struggled from confusion into a primitive form of order.

Nevertheless, at the moment, the policies of action are inextricably associated with the forms of control, and provide the reason for them. Therefore it is well to get a broad view of these policies.

1. Agriculture.

The starting point, both in thought and action, was to relieve the farmers. The main necessity for relief was, of course, higher prices for staple crops, because their prices were low in relation to the prices for industrial goods, and low in relation to debts. The domestic-allotment plan, the land-leasing plan, the cotton-option plan are, in essence, ways of using the price bait to ensure limitation of acreage, by offering price increase in advance exchange for limitation, instead of waiting for farmers as individuals to limit and subsequently to enjoy the increase.

Many believed the way to higher prices was through monetary or credit inflation. Hence the same bill gave powers to government over banking and the issuance of money, to follow this road if it wished.

2. Industry.

But other industries also needed relief. Unless the purchasing power of industrial workers also increased, the farmers themselves might not benefit, because higher prices for food and fabrics might mean smaller sales, under conditions of depression.

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Here again some relied on monetary and credit inflation—provided for in the farm bill. Some had hope for both agriculture and industry on the basis only of reducing international trade barriers—which the London Conference would attempt. Some advocated a large program of public construction, in order to utilize the available expansion of the means of payment in actual expenditures to enlarge employment and orders for materials.

A public-works bill was thus in order as the next thing on the program. But there were difficulties about stopping there. In order to have the required effect, so much money must be spent on public works that it would almost certainly make difficulties for public finance. (One economist advocated the expenditure of $700 million a month.) And then you would be employing a lot of men in construction who really ought to be employed making other things that people need—employed in their regular industries. What would be done with these men when the program ended?

Only a moderately large construction program was therefore decided upon, but it required as a complement some way of stimulating manufacturing industries directly. More workers must be employed everywhere, and employed on such terms that their purchasing power would be increased. At this point the demand arose for regulation of minimum wages and maximum hours in the plants of cutthroat competitors who were continually depressing standards, who were deflating labor faster than anything else could be deflated. It was necessary to fix a bottom somewhere and set the current in the other direction. This demand turned temporarily to the thirty-hour-week bill with its amendment for wage boards.

Meanwhile, however, other ideas were pressing for acceptance. There was the Kent plan, the Rorty plan, the Swope plan, the Harriman plan. All involved industrial control of some sort. Industrialists concentrated on gaining the power to set standards and affect prices by self-government of employers. Labor and the expert advisers of government pointed out that this would be futile without protection of worker and consumer, without policing by government as a representative of the public. And so the National Industrial Recovery Act came into being—with its public-works section and its industry section.

The forms of administration so far are essentially simple. Each industry is represented by its trade or industrial association. This adopts a code or agreement under which the members decide they wish to live. The code is supposed to result, in part, from negotiation with the unions.

This code, being drawn up, is then presented to the industry administration under General Hugh Johnson. As soon as it is put in proper form, a hearing is held at which all groups concerned may be represented—labor, consumer, the association itself, non-members of the association. Presiding over the hearing is a deputy administrator—a man familiar with the industry, but not connected with it. He will be advised by an expert on the industry and an expert on labor.

As a result of the hearing, the code may be modified by the administration and resubmitted to the association. If ratified as amended, it is submitted to the President, who may in turn approve, disapprove, or modify. When it is finally approved by him, it becomes binding by law on every member of the industry.

How is policy guided and how is information accumulated, for the use of the industry administration? General Johnson himself is under a Board, composed of Secretary of Commerce Roper, Attorney General Cummings, Secretaries Ickes of the Interior, Wallace of Agriculture and Perkins of Labor (the three most directly concerned with the major policies of the administration), Director Douglas of the Budget, and Colonel Charles H. March of the Federal Trade Commission. Flanking him there are three special committees of non-governmental persons, one representing labor, one representing industry and one representing consumers. There is a research and statistical division headed by Mr. Alexander Sachs, formerly of Lehman Brothers, a singularly brilliant economist. There is a legal division headed by Mr. Donald R. Richberg, who was a partner of Mr. Ickes in Chicago, fought the gas case for the city and has long been counsel for the Railroad Brotherhoods. Persons like these have much to do with the general policies followed by General Johnson, who is an activist, a believer in industrial planning and a man with a mind open for suggestions from those who understand theory.

Two other agencies are now under consideration. One is a general policy board, reporting directly to the President, and composed of representatives of all the governmental departments and offices which are concerned in economic affairs. The other is a planning board for the industry administration itself, a group of experts not representing any interest directly, but concerned with fitting policies together and linking objectives to means. In other words, a board to think ahead while some are administering and others are digging facts.

This organization is likely to change and be elaborated as events require. It is still new-born, has hardly begun to breathe.

The codes to be submitted first are not supposed to be final or complete. They are beginning and experimental rather than a matter of permanent, fundamental law. The administration has already indicated what it expects their character to be. They are to be concerned mainly with minimum wages and maximum hours, since this is obviously the first point of attack. The administration will, in general, go slowly in approving practices which will raise prices. Its economic advisers have pointed out that the whole effort will be a failure unless the purchasing power of the masses is increased. Higher wages alone cannot do this—especially such very moderate minimum wages as are being applied. What is mainly required is a greater volume of employment, coupled with a cost of living that does not rise far or rapidly, so that wage increases may grow faster than the price of a decent living. This means an industrial policy leading to large output at moderate

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prices rather than to small output at high prices. And there are many industries which can make profit only in this way; they are so highly mechanized and have such a large overhead that without volume they are sunk.

It will be seen that no sooner do you begin industrial government than you are faced with weighty and complex problems. Price policy is an illustration. We begin with an attempt to raise crop prices to a former parity with prices of manufactures. But this would be inconsistent with a program of much increase in prices of manufactures; the farmers would continually be tagging on behind, just as would the incomes of workers. You might get an inflationary, speculative boom if you let prices skyrocket indiscriminately, but it could not last long, and at the end we should be worse off than ever. These considerations in turn bear upon monetary and credit policy. The issue of money and credit must be accessory to the demands of an industrial plan. Once this is decided, we have a guide to the ultimate exchange value of the dollar and its future worth in gold.

Price policy also needs to be elaborated within the industrial field. What prices ought to be permitted to increase, and what prices ought to be held down? It has already been decided that prices kept low at the expense of starvation wages must be allowed to rise. There is another guide to policy in this respect, already implicit in the different treatment of agriculture and manufacturing as a whole. Agriculture has suffered, not because of reduced output, but because of reduced price. Therefore, restriction of output is the logical course. But many industries, such as automobiles, could, with sufficient markets—which are conceivable—prosper at present or lower prices. Some industries, however, may resemble agriculture more than automobiles in this respect. Bituminous coal is an example, and probably oil extraction as well. Here restriction and price valorization may be allowed.

Not every case, however, is so clear. Take the manufacturers of railroad equipment, or of machinery, or of building supplies. The extent of their markets seems to be largely independent of the prices of their products. When railroads, or manufacturing, or construction, are booming, they sell a lot of their products, though they increase prices at the same time. When their customers do not thrive, their sales would not be enlarged by any conceivable price reduction. Here the problem would seem to be to arrange the largest steady volume possible for their output, and allow prices such as to be reasonable at that volume.

When it comes to deciding what is a desirable price at any given volume of business, accounting must be called in. What are costs, and what are profits? In the case of an industry which contains units with varying costs, shall not the price be judged with reference to the more efficient? The government has authority to require accounting information, but the administration of accounting, the decisions made in regard to its intricate problems, and the publicity accorded the results, are of prime importance. One hopes that the administration will not get bogged down in the quagmire of valuation and "fair profits," but will develop criteria relevant to the most efficient operation of the industrial complex as a whole.

At the accountant's right hand ought to be the management engineer, developing standards of efficiency, judging codes of practice from the technical point of view, striving to reduce costs without reducing wages, by eliminating waste. His advice is also essential on one of the most basic problems of any effort at national industrial government—how to combine the necessary centralization with the decentralization which is essential to good performance. Complete decentralization means the impossible waste of anarchy; complete centralization the fat hand of bureaucracy.

A desperate puzzle is concerned with the restoration of full employment. Industrialists are almost unanimous in saying that they could return to 1929 output without anything like 1929 employment. Some of them are therefore envisaging a large permanent residue of unemployed, to be cast off into the middle ages by being settled on "subsistence farms." Such a program would of course be disastrous socially, and would also make impossible 1929 production itself, since millions of former buyers would be removed from the markets for industrial goods. The main line of the answer is—much larger output than in 1929, made possible by a larger purchasing power of workers and farmers. But this is difficult to achieve. How, for instance, enlarge promptly the employment of industries engaged in making capital goods, when almost every industry believes it is "overequipped" in relation to easily predictable demand for its products?

This is just a beginning at an enumeration of the tasks to be faced. It ignores detailed social problems, such as decisions as to whether the legally required collective bargaining shall be delegated to A. F. of L. unions, company unions or progressive and "outlaw" unions. And it ignores the great social problem whether industrial government under capitalism can reconcile group and class interests; whether the "thin red line" of experts who have at heart the welfare of labor and consumer, who want to build a collective economy, can survive the attacks of the reactionary profiteers who are already out for their scalps. If recovery comes and the Devil begins to convalesce, will he still wish to be good? Shall we relapse to the old anarchy? Or shall we enter a capitalist dictatorship? Or will more drastic changes be enforced by a suffering and impatient populace? What we have now created is not a reformed industrial system, but a mixture in which problems will be precipitated with greater clarity, an arena in which sides may be chosen and significant conflicts waged.

GEORGE SOULE.

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The German Catastrophe

The contest between the forces of reaction and progress in Germany has concluded its most dramatic chapter with the victory of the Fascists. A period of stock-taking has ensued. The two principal opposition camps were the Social Democracy and Communism. As to the former, the author of the following article has long regarded his attitude toward it as a settled matter beyond debate. With regard to the Communist party, however, Trotsky and his associates have for some time sought to reform what they considered its wrong political course. In a series of works,[1] Trotsky has constantly preached the necessity of confronting the Fascists with a united front of all the labor organizations—the Social Democratic party, the Communist party, the free trade unions, etc.—established "from above and from below." Confident of the superiority of the Communist program and methods over the Socialist, Trotsky conceived of the united front as an arena in which this superiority would be made apparent to the Socialist masses. In the very course of the united-front battle against Hitlerism, the Socialist workers were to be detached from the leadership and their party, which Trotsky regards, not as an instrument of the working class, but as a "given historical reality" which must be dealt with as an objective force. In the events of the past few months in particular, prior to and since the election of March 5 which formally invested Hitler with power in the Reich, Trotsky sees a negative confirmation of the standpoint developed by him and his political friends in connection with the situation in Germany. His article is an elucidation of that standpoint.—MAX SHACHTMAN, *Translator.*

THE IMPERIALIST epoch, in Europe at least, has been one of sharp turns, in which politics has acquired an extremely mobile character. At each turn the stakes have been, not some partial reform or other, but the fate of the regime. On this fact the exceptional role of the revolutionary party and of its leadership is based. If, in the good old days when the social democracy grew regularly and uninterruptedly, like the capitalism which nourished it, the leadership of Bebel resembled a general staff tranquilly elaborating plans for a war in the indefinite future (a war that perhaps might not come after all), under present conditions the Central Committee of a revolutionary party resembles the field headquarters of an army in action. The strategy of the study has been replaced by the strategy of the battle field.

[1] See, "Germany, the Key to the International Situation," "What Next?" "The Only Road," etc. New York: Pioneer Publishers.

The struggle against a centralized enemy demands centralization. Trained in a spirit of strict discipline, the German workers assimilated this idea with renewed vigor during the War and the political convulsions which followed it. The workers are not blind to the defects of their leadership, but none of them as an individual is able to shake off the grip of the organization. The workers as a whole consider it better to have a strong leadership, even if a faulty one, than to pull in different directions or to resort to "free-lance" activities. Never before in the history of humanity has a political staff played so important a role or borne such responsibility as in the present epoch.

The unparalleled defeat of the German proletariat is the most important event since the conquest of power by the Russian proletariat. The first task on the morrow of the defeat is to analyze the policy of the leadership. The most responsible leaders (who are, heaven be praised, safe and sound) point with pathos to the imprisoned rank and file executors of their policies in order to suppress all criticism. We can only meet such a spuriously sentimental argument with contempt. Our solidarity with those whom Hitler has imprisoned is unassailable, but this solidarity does not extend to accepting the mistakes of the leaders. The losses sustained will be justified only if the ideas of the vanquished are advanced. The preliminary condition for this is courageous criticism.

For a whole month not a single Communist organ, the Moscow Pravda not excepted, uttered a word on the catastrophe of March 5. They all waited to hear what the Praesidium of the Executive Committee of the Communist International would say. For its part the Praesidium oscillated between two contradictory variants: "The German Central Committee led us astray," and "The German Central Committee pursued a correct policy." The first variant was ruled out: the preparation of the catastrophe had taken place under the eyes of everybody, and the controversy with the Left opposition that preceded the catastrophe had too clearly committed the leaders of the Communist International. At last, on April 7, the decision was announced: "The political line . . . of the Central Committee, with Thälmann at its head, was completely correct up to and during Hitler's coup d'état." It is only to be regretted that all those who were dispatched into the beyond by the fascists did not learn of this consoling affirmation before they died.

The resolution of the Praesidium does not attempt to analyze the policy of the German Communist party—which was, above all else, to have been expected—but constitutes another in the long

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series of indictments against the social democracy. It preferred, we are told, a coalition with the bourgeoisie to a coalition with the Communists; it evaded a real struggle against fascism; it fettered the initiative of the masses; and as it had in its hands the "leadership of the mass labor organizations," it succeeded in preventing a general strike. All this is true. But it is nothing new. The social democracy, as the party of social reform, exhausted the progressiveness of its mission, as capitalism was transforming itself into imperialism. During the War the social democracy functioned as a direct instrument of imperialism. After the War it hired itself out officially as the family doctor of capitalism. The Communist party strove to be its grave-digger. On whose side was the whole course of development? The chaotic state of international relations, the collapse of pacifist illusions, the unparalleled crisis which is tantamount to a great war with its aftermath of epidemics—all this, it would seem, revealed the decadent character of European capitalism and the hopelessness of reformism.

Then what happened to the Communist party? In reality the Communist International is ignoring one of its own sections, even though that section rallied some 6 million votes in the election. That is no longer a mere vanguard; it is a great independent army. Why, then, did it take part in the events only as a victim of repression and pogroms? Why, at the decisive hour, did it prove to be stricken with paralysis? There are circumstances under which one cannot withdraw without giving battle. A defeat may result from the superiority of the enemy forces; after defeat one may recover. The passive surrender of all the decisive positions reveals an organic incapacity to fight which does not go unpunished.

The Praesidium tells us that the policy of the Communist International was correct "before as well as during the coup d'état." A correct policy, however, begins with a correct appraisal of the situation. Yet, for the last four years, in fact up to March 5, 1933, we heard day in and day out that a mighty anti-fascist front was growing uninterruptedly in Germany, that National Socialism was retreating and disintegrating, and that the whole situation was under the aegis of the revolutionary offensive. *How could a policy have been correct when the whole analysis on which it was based was knocked over like a house of cards?*

The Praesidium justifies the passive retreat by the fact that the Communist party, "lacking the support of the majority of the working class," could not engage in a decisive battle without committing a crime. Nevertheless, the same resolution considers the July 20 call for a general political strike as deserving special praise, though for some unknown reason it neglects to mention an identical call of March 5. Is not the general strike a "decisive struggle"? The two strike calls wholly corresponded to the obligations of a "leading role" in the "anti-fascist united front" under the conditions of the "revolutionary offensive." Unfortunately, the strike calls fell on deaf ears; nobody came out and answered them. But if, between the official interpretation of events and the strike calls on the one hand, and the facts and deeds on the other, there arises such a crying contradiction, it is hard to understand wherein a correct policy can be distinguished from a disastrous one. In any case, the Praesidium has forgotten to explain which was correct—the two strike calls or the indifference of the workers to them.

But perhaps the division in the ranks of the proletariat was the cause for the defeat? Such an explanation is created especially for lazy minds. The unity of the proletariat, as a universal slogan, is a myth. The proletariat is not homogeneous. The split begins with the political awakening of the proletariat, and constitutes the mechanics of its growth. Only under the conditions of a ripened social crisis, when it is faced with the seizure of power as an immediate task, can the vanguard of the proletariat, provided with a correct policy, rally around itself the overwhelming majority of its class. But the rise to this revolutionary peak is accomplished on the steps of successive splits.

It was not Lenin who invented the policy of the united front; like the split within the proletariat, it is imposed by the dialectics of the class struggle. No successes would be possible without temporary agreements, for the sake of fulfilling immediate tasks, among various sections, organizations and groups of the proletariat. Strikes, trade unions, journals, parliamentary elections, street demonstrations demand that the split be bridged in practice from time to time as the need arises; that is, they demand a united front *ad hoc*, even if it does not always take on the form of one. In the first stages of a movement, unity arises episodically and spontaneously from below, but when the masses are accustomed to fighting through their organizations, unity must also be established at the top. Under the conditions existing in advanced capitalist countries, the slogan of "only from below" is a gross anachronism, fostered by memories of the first stages of the revolutionary movement, especially in Tsarist Russia.

At a certain level, the struggle for unity of action is converted from an elementary fact into a tactical task. The simple formula of the united front solves nothing. It is not only Communists who appeal for unity, but also reformists, and even fascists. The tactical application of the united front is subordinated, in every given period, to a definite strategic conception. In preparing the revolutionary unification of the workers, without and against reformism, a long, persistent and patient experience in applying the united front with the reformists is necessary; always, of course, from the point of view of the final revolutionary goal. It is precisely in this field that Lenin gave us incomparable examples.

The strategic conception of the Communist In-

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ternational was false from beginning to end. The point of departure of the German Communist party was that there is nothing but a mere division of labor between the social democracy and fascism, that their interests are similar if not identical. Instead of helping to aggravate the discord between Communism's principal political adversary and its mortal foe—for which it would have been sufficient to proclaim the truth aloud instead of violating it—the Communist International convinced the reformists and the fascists that they were twins, it predicted their conciliation, embittered and repulsed the Social Democratic workers and consolidated their reformist leaders. Worse yet: in every case where, despite the obstacles presented by the leadership, local unity committees for workers' defense were created, the bureaucracy forced its representatives to withdraw under threat of expulsion. It displayed persistency and perseverance only in sabotaging the united front, from above as well as from below. All this it did, to be sure, with the best of intentions.

No policy of the Communist party could, of course, have transformed the social democracy into a party of the revolution. But neither was that the aim. It was necessary to exploit to the limit the contradiction between reformism and fascism—in order to weaken fascism, at the same time weakening reformism by exposing to the workers the incapacity of the Social Democratic leadership. These two tasks fused naturally into one. The policy of the Communist International bureaucracy led to the opposite result: the capitulation of the reformists served the interests of fascism and not of Communism; the Social Democratic workers remained with their leaders; the Communist workers lost faith in themselves and in the leadership.

The masses wanted to fight, but they were obstinately prevented from doing so by the leaders. Tension, uneasiness and finally disorientation disrupted the proletariat from within. It is dangerous to keep molten metal too long on the fire; it is still more dangerous to keep society too long in a state of revolutionary crisis. The petty bourgeoisie swung over in its overwhelming majority to the side of National Socialism only because the proletariat, paralyzed from above, proved powerless to lead it along a different road. The absence of resistance on the part of the workers heightened the self-assurance of fascism and diminished the fear of the big bourgeoisie confronted by the risk of civil war. The inevitable demoralization of the Communist detachment, increasingly isolated from the proletariat, rendered impossible even a partial resistance. Thus the triumphal procession of Hitler over the bones of the proletarian organizations was assured.

The false strategic conceptions of the Communist International collided with reality at every stage, thereby leading to a course of incomprehensible and inexplicable zigzags. The fundamental principle of the Communist International was: *a united front with the reformist leaders cannot be permitted!* Then, at the most critical hour, the Central Committee of the German Communist party, without explanation or preparation, appealed to the leaders of the social democracy, proposing the united front as an ultimatum: today or never! Both leaders and workers in the reformist camp interpreted this step, not as the product of fear, but, on the contrary, as a diabolical trap. After the inevitable failure of an attempt at compromise, the Communist International ordered that the appeal be ignored and the very idea of a united front was once more proclaimed counter-revolutionary. Such an insult to the political consciousness of the masses could not pass with impunity. If up to March 5 one could, with some difficulty, still imagine that the Communist International, in its fear of the enemy, might possibly call upon the Social Democracy, at the last moment, under the club of the enemy—then the appeal of the Praesidium on March 5 proposing joint action to the Social Democratic parties of the entire world, independent of the internal conditions of each country, made even this explanation impossible. In this belated and worldwide proposal for a united front, when Germany was revealed by the flames of the Reichstag fire, there was no longer a word about social-fascism. The Communist International was even prepared—it is hard to believe this, but it was printed in black and white!—*to refrain from criticism of the Social Democracy* during the whole period of the joint struggle.

The waves of this panic-stricken capitulation to reformism had hardly had time to subside when Wels swore fealty to Hitler, and Leipart offered Fascism his assistance and support. "The Communists," immediately declared the Praesidium of the Communist International, "were right in calling the Social Democrats social-fascists." These people are always right. Then why did they themselves abandon the theory of social-fascism a few days before this unmistakable confirmation of it? Luckily, nobody dares to put embarrassing questions to the leaders. But the misfortunes do not stop there: the bureaucracy thinks too slowly to keep pace with the present tempo of events. Hardly had the Praesidium fallen back upon the famous revelation: "Fascism and social democracy are twins," than Hitler accomplished the complete destruction of the free trade unions and, incidentally, arrested Leipart and company. The relations between the twin brothers are not entirely brotherly.

Instead of taking reformism as a historic reality, with its interests and its contradictions, with all its oscillations to the right and left, the bureaucracy operates with mechanical models. Leipart's readiness to crawl on all fours *after* the defeat, is offered as an argument against the united front *before* the defeat *for the purpose of avoiding* the defeat. As if the policy of making fighting agreements with the reformists were based upon the valor of the reformist leaders and not upon the incompatibility

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of the organs of the proletarian democracy and the fascist bands.

In August, 1932, when Germany was still ruled by the "social General," von Schleicher, who was supposed to assure the union of Hitler with Wels, announced by the Communist International, I wrote:

> Everything goes to show that the Wels-von Schleicher-Hitler triangle will fall apart before it has really been put together. But perhaps it will be replaced by a Hitler-Wels combination? . . . Let us assume that the Social Democracy, without being afraid of its own workers, would seek to sell Hitler its toleration. Fascism, however, does not need this commodity, it is not the toleration of the Social Democracy which it needs but its abolition. The Hitler government can realize its task only when it has broken the resistance of the proletariat and all the possible organs of such a resistance. Therein lies the historical role of fascism. ("The Only Road," p. 31.)

That the reformists, after the defeat, would be happy if Hitler were to permit them to vegetate legally until better times return, cannot be doubted. But unfortunately for them, Hitler—the experience of Italy has not been in vain for him—realizes that the labor organizations, even if their leaders accept a muzzle, would inevitably become a threatening danger at the first political crisis.

Doctor Ley, the corporal of the present "labor front," has determined, with much more logic than the Praesidium of the Communist International, the relationship between the so-called twins. "Marxism is playing dead," he said on May 2, "in order to rise again at a more favorable opportunity. . . . The sly fox does not deceive us! It is better for us to deal him the final blow rather than to tolerate him until he recovers. The Leiparts and the Grossmanns may feign all sorts of devotion to Hitler—but it is better to keep them under lock and key. That is why we are striking out of the hands of the Marxist rabble its principal weapon (the trade unions) and are thus depriving it of the last possibility of arming itself again." If the bureaucracy of the Communist International were not so infallible and if it listened to criticism, it would not have made additional mistakes between March 22, when Leipart swore fealty to Hitler, and May 2, when Hitler, in spite of the oath, arrested him.

Essentially the theory of "social fascism" could have been refuted even if the Fascists had not done such a thorough job of forcing themselves into the trade unions. Even if Hitler had found it necessary, as a result of the relationship of forces, to leave Leipart temporarily and nominally at the head of the trade unions, the agreement would not have eliminated the incompatibility of the fundamental interests. Even though tolerated by Fascism, the reformists would remember the fleshpots of the Weimar democracy and that alone would make them concealed enemies. How can one fail to see that the interests of the Social Democracy and of Fascism are incompatible when even the independent existence of the Steel Helmets is impossible in the Third Reich? Mussolini tolerated the Social Democracy and even the Communist party for some time, only to destroy them all the more mercilessly later on. The vote of the Social Democratic deputies in the Reichstag for the foreign policy of Hitler, covering this party with fresh dishonor, will not ameliorate its fate by one iota.

As one of the main causes for the victory of Fascism, the luckless leaders refer—in secret, to be sure—to the "genius" of Hitler, who foresaw everything and neglected nothing. It would be fruitless now to submit the Fascist policy to a retrospective criticism. One need only remember that Hitler, during the summer of last year, allowed the high peak of the fascist tide to escape him. But even the gross loss of rhythm—a colossal mistake—did not have fatal results. The burning of the Reichstag by Göring, even if this act of provocation was crudely executed, did, however, yield the necessary result. The same must be said of the Fascist policy as a whole, for it led to victory. One cannot, unfortunately, deny the superiority of the Fascist over the proletarian leadership. But it is only out of an unbecoming modesty that the beaten chiefs keep silent about their own part in the victory of Hitler. There is the game of checkers and there is also the game of losers-win. The game that was played in Germany has this singular feature, that Hitler played checkers and his opponents played to lose. As for political genius, Hitler has no need for it. The strategy of his enemy compensated largely for anything his own strategy lacked.

Prinkipo, Turkey. LEON TROTSKY.

Chicago Interlude

THE MOST ambitious theatrical production seen in Chicago for a long time is that of "The Strangest Interlude in a Century of Progress" given by the Federation of Women High School Teachers in the Goodman Theatre, with a cast of 200, June 15, 16 and 17.

And we have had a number of events following the impressive occasion on which the lights of the World's Fair were turned on through an electrical impulse from Arcturus with the material aid of the Western Union Telegraph Company and other electrical corporations—which were duly given credit.

The non-resident who has heard more or less vaguely that the Chicago school teachers are expressing disapproval of the Century of Progress Exposition may wonder what their grievances against a practically bankrupt city have to do with the activities of a private and, theoretically, non-profit-making corporation which is doing so much, it is said, for the city.

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Perhaps there is no *prima-facie* logical connection, but there are many filaments binding the two phenomena. For one thing, the bankers who have put and who hold the teachers in their present plight are substantially the same men who are backing the Fair. The city which cannot pay the teachers their salaries has let the Fair have valuable favors. The unofficial fascism which runs Chicago today is not only evident in the school situation but it is also felt throughout the administration of the Fair. Incidentally, among our recent social occasions in the life of the Fair was Rufus Dawes's welcome to the Italian delegation when he congratulated the Italians on the alleged fact that in Italy "discipline has replaced disorder, control superseded confusion."

So much for official Fascism. Our own is strictly unofficial. But the teachers know that it is functioning. Although a recent payment was made them, they are still five and a half months in arrears in salaries which have been cut—by direct fiat and by shortening of the school year—to about 23 percent of a figure which had not been raised to meet boom-time prices. They have taken scrip and tax warrants and sold them at anything such paper would fetch. I have seen postcards from brokerage houses offering to buy warrants at 30 percent below par. Some teachers have lived from family resources, others by borrowing on their insurance; still others have broken under the strain and are in sanitaria. One, the father of a family, has committed suicide. Mr. Dawes was shocked, doubtless, as a believer in order, when the teachers in a demonstration invaded the Loop banks. But that protest was not primarily against the fact that their salaries have been withheld—when other city obligations are paid on time. Their primary protest was against an evident desire to wreck the Chicago school system: to reduce it to a sweated industry of teaching the three R's to potential industrial robots.

In accordance with good fascist precedent, this attempt is being made on the principle of control as opposed to assent. Indeed, it is remote control. It was recently suggested that the city put out a $40 million bond issue to clean up the situation. The Chicago Tribune admitted that the situation needed clearing up, but suggested forbidding the School Board to spend a penny in any year beyond the income for that year. Now comes the Sargent Committee on Public Expenditures to say that $40 million is too much. Eighteen million is the limit. The Sargent Committee is, in the words of a lyric in "The Strangest Interlude in a Century of Progress," "Self-appointed, God-anointed."

It has been spoken of as a committee of 100 and as a committee of 250. I am sorry to appear to know so little about it, but even the Chicago Principals' Club which investigated it last December could not find out much. Only twenty-nine members were identifiable. Its head is Fred Sargent, who lives in Evanston—that is, outside Chicago. He is president of two railroads and is a director of the Illinois Bell Telephone Company. Of the rest, some live outside the city, all are bankers and "big business men" and only two, or possibly three, have ever had a child in the Chicago public schools and then only for short periods in elementary classes. Their children go to private schools where the expenditure on each child is much greater than the expenditure on a child in the public schools.

Some months ago the United States Chamber of Commerce published a number of recommendations for greater economy in the schools. These included the simplification of the curricula; the shortening of the school day by an hour with a concomitant increase in the size of classes and the number of teaching hours (Chicago teachers already carry the heaviest teaching load in the country, often over 50 percent greater than the North Central Association maximum); suspension of automatic salary increases; reduction of salaries; discontinuance of evening classes and kindergartens; reduction of high-school curricula; transference of one-third of the cost of all instruction above high-school grade to the pupil; the imposition of fees on high-school pupils. It is this sort of thing for which the Sargent Committee is working.

Meanwhile The Tribune sends women reporters to the schools to catch teachers loafing or spending time in music, drawing or other "frills." The reporter apparently knows nothing of pedagogy and several teachers have told me that her stories, when they appear, do not represent what she could actually have seen in the schools. Meanwhile, also, there has been no extravagance or graft in the spending of teaching funds. Building and other more ponderable activities are another matter. There are, at the moment, three coal dealers on the Board of Education. Two weeks ago a pupil suffering from the heat in his classroom remarked to his teacher that he wished there were an iceman on the board.

What will happen if the bankers win out is well seen in the goings-on in and around the World's Fair. Though technically not for profit, the Fair does have to pay interest on its bonds and it does have to pay for its buildings. Furthermore, it is out to demonstrate as well as to make prosperity —which means that there must be an outward show of prosperity. Mr. Dawes and his cohorts are good at that sort of thing—with the help this time of what we may call minor fascism. The World's Fair grounds are "made," but they adjoin a neighborhood in large part settled by Negroes though owned by white people. The squalidness of this neighborhood is in vivid contrast to the overopulent temporary magnificence of the Fair. But the officials are doing the best they can to keep the contrast from being too enlightening.

There was a Hooverville on Harrison Street some blocks west of the Fair grounds, but near railway stations used by Fair visitors. Some weeks before the Fair opened it was torn down. Such a

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sight was not meant for visiting eyes. But the tin from the shack roofs was left on the ground. Now the *habitués,* when it rains, crawl under the flat tin: surely a new low record in housing. Along South State Street and therefore near several entrances to the Fair, and near the Illinois Central Station, there are a number of movie and burlesque houses which stay open all night. One might wonder how down-and-out people can afford to patronize the theatre. But for a dime they are allowed to sleep in their seats until six a. m., and as clean theatre seats are preferable to dirty flop-house blankets, they do. Then at Twenty-third Street and Wabash Avenue and at Thirty-fifth Street and Wabash Avenue there are garbage dumps where they may feed. Or might, until May 27. Now they must get out of the way. The theatres are private enterprises for profit and so cannot be closed. But extra police patrol the neighborhood and whenever they see a man who is obviously a "bum" they chase him off, threatening to beat him up if he is seen again. If in doubt of his status they look at his shoes. If the shoes are obviously pick-ups from a dump, they are sure of their ground. The word has gone forth to show enough "frightfulness" so that Chicago will become known as "a tough place" for bums.

At the same time the city has broken up the organizations of the unemployed and taken extraordinary precautions against demonstrations. In one South Side relief station the whole assembly room has been parceled off by aisles until it looks like a maze—so that the "two or three" clients cannot assemble together!

Meanwhile the Fair, which is receiving these and more substantial favors, such as parking spaces at a nominal rental, is acting in an extraordinarily arbitrary manner. Some time before the opening, a public bathing beach, in the Negro district, was fenced off and a ten-cent charge made for admission. A Negro who bought a ticket was told to get his money back. The Negroes complained to Mr. Dawes, who denied responsibility. But the Fair is still Nordic. Already more than one suit is pending by Negroes denied service in the eating concessions. The authorities specifically told a Chicago Negro, Mr. Bryan A. Hammond, that they would sign no contracts with concessionaires who happened to be Negroes.

Workers for the Fair also have just grounds for complaint. They receive small salaries, half of which small amounts are paid in bonds. The college boys who push wheel chairs, for which the visitor pays a dollar an hour, get thirty cents for pushing time and nothing for idle time.

Probably the prize example of squeezing blood out of a turnip is the lavatory concession. According to the contract, 20 percent of the toilets are free, but to find them would be an exciting outdoor sport. In the others are attendants. Each of them paid $15 for the job and was to receive 50 percent of the tips. But few tips materialized and after a number of days the attendants protested and got back half of their money.

Meanwhile the officials who were so anxious to avoid dealing with Negro concessionaires seem to have used all their discrimination in that one gesture. Many of the concessions are of the cheapest county-fair variety. Since the opening there has been a protest by the local clergy against the cheap "sex-stuff" of the Streets of Paris; the local humane societies and others have protested against an exhibit, on the Enchanted Island, of baby bears which cried so that children brought to see them did not enjoy the spectacle and other children in a near-by little theatre could not hear the play; and the Fair officials themselves have chased one concessionaire off for running a phony game of chance. A lucky ball, if you caught it, entitled you to a $25 set of hand-painted china—but the lucky balls dropped into a secret box except when a confederate played.

As a spectacle—fantastic color against the blue of the lake—and as a place to sit, hear music in the open air, sail along cool lagoons, the Fair is, of course, a brilliant success. It does enchant one. The scientific exhibits are its best feature—and not less so for being in many cases keyed down to an elementary intelligence. The Sky Ride is an impressive structure, even if, humanly speaking, it is not worth the two deaths which its erection has entailed. The concessions run from good to very bad. But the spirit which is abroad in the whole undertaking, which indeed made such a vast display possible in times like these, is one of naked exploitation.

It is the same sort of exploitation that has also overwhelmed the teachers and will rob Chicago children of education if the teachers and their friends lose the present fight. No wonder the teachers are including the Fair management in their defensive warfare.

Chicago. LLEWELLYN JONES.

The Spirit of Thirty-Three

AFTER the brisk evening trade at the drug-store, Chester A. Donner dropped in at Elmer Durkin's place to rest his feet and get his mind broadened. The newsdealer gave him a chair and the details of last night's doings in Washington, the Senate's revolt against the President's policy on veteran payments and its final collapse.

"So along toward morning," said Elmer, "the law-makers folded up their tents and silently stole away."

"I hope that's *all* they stole," observed the druggist and cynic.

Elmer admonished his friend to stop living in the dead past and get hep to the Spirit of Thirty-Three.

"These liquid orbs have been squinting at Congresses ever since I wore a boyish-silhouette figger and this is the first session I remember that drew a good press when it kicked off. I've been reading

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the obits today and is that a flock of orchids! Maybe everybody was willing to let the boys go home and nobody willinger than the Great White Papa, but that was because they had shot the works. When Congress has finished its job it had better knock off and go back to the folks. You know what Satan does for the unemployed."

"They sure got busy this time," the pharmacist admitted.

"I'll say! The laws those babies passed in three months if you laid them end to end they'd reach from Jim Farley to Arcturus. We haven't had such a big wad of legislation since Moses. They passed everything His Nibs wanted whether they understood it or not and a couple of bills that just blew in the window. They started out by slipping us a schooner of three-point-two and ended up by revamping all the industries in the U. S. of A. It was an off day if they didn't pass some measure that would make Herbert Hoover turn over in his political grave. No, Chet, the old wheeze about how Congress is nothing but a set of cracked phonograph records—that's out. And it leaves Will Rogers without one joke to rub against another."

Here Elmer turned his thoughts to the New Dealer and his remarkable exhibition of speed and control.

"From the minute the alarm clock went off on the glorious fourth of March up to now, the old boy has had the drop on the situation. He said 'I do' to the judge amid the booming of busting banks. Business was flat as a flounder and you could see where we would all beat it for the woods and subsist on roots and berries. The closing of the banks looked like the haymaker that would put us out of our misery for good and all, but look what happened. In a couple of days he had everybody thinking we had turned the old boat around and headed for happy days. The folks were so glad we had come out of the sleeping sickness that everything listened good to them, even a sock on the chin.

"After that he could get anything out of Congress his system craved, up to a nickel-plated crown. He ran the messengers ragged shooting the notes up the hill and every letter said, 'Gimme.' You just let me handle this little thing in my own way, he wrote. Leave it to old Frank. The boy will wait for the answer. Nine times out of ten they yessed him toot sweet. If they started to act stuffy all he had to do was reach for the mike. Those Sunday night heart-to-heart talks with the customers were the most popular number on the ether. This lad packs a mean wallop with the old folks at home.

"I thought the G. O. P. boys were funny, in a nice refined way. Once in a while they raised a squawk but generally they were a flock of push-overs. The only time those Republican Senators really stood solid was when they tried to harpoon the economy program and slip a lot of jack to the soldiers. Nobody can say they pulled anything to make folks sorry for what happened last November.

"So the law-makers slapped the okay on everything F. D. asked for—economy, beer, bank reform, a pure stock law, farm relief, hunger relief, public works and industrial control. They fitted him out with a complete set of blank checks and rubber dollars and told him to let his conscience be his guide. If his dreams don't come true it won't be the fault of those hillbillies.

"Now our old unk is up to the ears in the real-estate and mortgage racket and he's got his hands full of down-and-out railroads and wabbly banks. When the skipper gets back from his boat ride the scenery will be all clogged up with trouble-shooters, coördinators, consolidators, stabilizers, expanders and contractors. The whole works are being remodeled right under our schnozzles and John W. Citizen is betting about ten billion smackers we'll win. If we don't, the bubbles will show where we are sunk."

"Well, Roosevelt has bet his future on this thing," said Mr. Donner, "and I think he'll make good."

"If the experts do a good job and everybody coöperates and if people can dig up enough spending money to keep ahead of the game and if Europe doesn't go haywire and if Roosevelt continues to get the breaks, everything will be jake. But boy! what a flock of 'ifs'."

FELIX RAY.

Washington Notes

The Power behind the Brain Trust—Rise of Baruch—Collapse of the Cabinet—Opening Up the Coffers

THE SHIFT in scenery which has occurred in Washington recently cannot be understood fully without centering one's attention on the tall figure of Mr. B. M. Baruch, the New York capitalist and ardent Democrat of the old school. Some time ago in this column I commented upon the fact that both General Johnson, the new Industrial Tsar, and Mr. George Peek, the Farm Administrator, were close friends of Mr. Baruch and had been associated with him for years in various activities. Mr. Johnson, in his "Who's Who" autobiographical sketch, describes himself as "associated with Mr. B. M. Baruch," and gives his office as 120 Broadway, which is Mr. Baruch's office.

There has been considerable newspaper discussion about the important role the Johnson-Peek selection gives Mr. Baruch in the administration and it is undoubtedly true that both men look upon him as a friend, counselor and guide. However, the unexpected action of the President in designating Mr. Baruch as his unofficial adviser in economic matters during the London Conference, in inviting him into the State Department and in making available to him all confidential cables and communications from abroad, is such a complete surprise as to verge on the sensational. When to this is added the fact that, accompanying Professor Moley as his special adviser to the London Conference—also at Mr. Roosevelt's request—is another man extremely close to Mr. Baruch—Mr. Herbert Bayard Swope—the extent of Mr. Baruch's influence is not easy

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to exaggerate. Little as it seems to be generally appreciated, the President appears to have made Mr. Baruch the most powerful person in his administration, in both foreign and domestic affairs—and, moreover, without giving him a title, official recognition or credentials of any sort.

The interesting thing is how it all came about, and that no one seems to know. It is quite certain that Mr. Baruch was not invited by Mr. Roosevelt to enter his Cabinet, although the invitation was generally expected after Mr. Baruch's visit to Warm Springs in February. It is asserted by his senatorial friends that at one period Mr. Baruch was apprehensive about Roosevelt's financial policy and deeply distrustful of the farm legislation, though now a portion of the press insists that both the Farm bill and the Industrial Recovery Act were framed along lines laid down by Baruch. It is at any rate true that the latter is an elaboration of the War Industries Board machinery of which he was the head and both Johnson and Peek subordinates.

Taking it altogether, Mr. Baruch now occupies a position not only unique in the administration but, so far as I know, unique in any administration. I cannot recall any other private citizen who has filled a comparable role in Washington. There may be some historical parallels, but not in this generation. It will be interesting to observe how it works out and how long it lasts. The explanation, so far as the President is concerned, is, I think, that he suddenly realized that what he needed in the administration was brains, and the more of them the better. Mr. Baruch has brains, plus the desire to serve.

One effect of this phase of the New Deal, of course, is still further to obscure some of the members of the Roosevelt Cabinet, who appear to be acquiring less and less importance as the days go by. For example, there is little attempt to conceal Secretary of the Treasury Woodin's waning influence. In fiscal matters the correspondents generally agree that Budget Director Douglas is better posted on administration policies than the Secretary of the Treasury, and they also unite in picking him as Mr. Woodin's successor if and when that unfortunate little gentleman retires. The retirement has been predicted ever since the publication of those preferred Morgan lists. This, however, can hardly be advanced now by the President as a reason for retiring Woodin, inasmuch as Mr. Baruch's name also appeared upon the lists. Perhaps there is a difference in that Mr. Baruch was on but one list, whereas Mr. Woodin was on three. At any rate, there is a feeling that the Secretary of the Treasury, for reasons not at all connected with the Morgan lists, will get out when the time arrives and he can do so without seeming in any way to be pushed.

The other member of the Cabinet who seems to have suffered most by recent developments in the presidential policy is Secretary of State Cordell Hull. With Mr. Moley in Europe as the direct representative of the President and known to be his most intimate and confidential adviser, and Mr. Baruch installed at the State Department as the adviser on this side, the position in which Mr. Hull is left seems both painful and absurd. Everyone in Washington respects Mr. Hull and likes him. Perhaps sending the Moley-Swope combination to London was necessary, but it seems rather trying on Mr. Hull and, in fact, puts the whole American delegation in a rather secondary position. Knowing some of them, I do not believe it will be particularly relished. However, it must be admitted that the early days of the Conference have not seemed auspicious.

As had been expected, the suspended war-debt negotiations and the inability of our delegation to discuss the debts in any way, shape or form have contributed to increase the difficult regarding an amicable agreement. In addition, the conflict between Mr. Roosevelt's domestic program and any real effort to lower tariff barriers, and the difficulty of stabilizing the dollar in view of the inflation program, have made it appear that our delegation was without a sure sense of direction, which undoubtedly made the going hard. Perhaps Professor Moley and Mr. Swope, who will be in London before this is printed, will set the American conference compass and pave the way for some form of international accord and coöperation. I still remain one of those who refuse to believe that the Conference will blow up or end in complete futility. Something will be done for the very simple reason that something has to be done and not one of the three dominant nations can afford to scuttle the Conference by rigid adherence to a narrow nationalism.

Meanwhile, here in Washington, the industrial and agricultural machines necessary to launch the great domestic legislative experiments of the Roosevelt administration are being hurriedly assembled. Appointments of advisory boards, coördinators, assistant administrators, publicity directors, aides and agents are being made daily, and the whole business is beginning to move. As yet, the public-works part of the program is not under way, though official forecasts of several million men at work within the next few months are of frequent occurrence.

The purpose of the administration is to pour this money out as rapidly as possible. The main problem is to decide on suitable projects for large expenditures. Many of the states, eager for their share of the available federal funds, are presenting propositions which do not bear up well under scrutiny. It is one of the handicaps to the public-works program that competition should be engendered among the states to "grab off" as much as possible. Inevitably there will be a certain amount of waste, extravagance and futility. If these can be held to a reasonable minimum, it seems all that can be expected. They are the inescapable accompaniments of such gigantic governmental operations as those upon which we are engaged, and no fair-minded man will look for complete efficiency or an entire absence of graft.

The pressure for jobs which politicians are bringing to bear upon the new administrators is enormous, incessant and irresistible. Quick to sense the size of the New Deal machinery, Democratic Senators and members of the House are concentrating upon providing from their respective states and districts as many of the cogs as possible. Even now, in the July heat, there are almost enough of them lingering around Washington to make up a quorum. They come, they go, and they come back. They make life a burden for the new executives, but they will not be denied. Of course, they are not getting all they want—not by half—but they are getting away with a lot, and they are unquenchably hopeful and incredibly persistent.

Washington. T. R. B.

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Other People's Money

Handing Round the Degrees—Words and Music by Woodin—The Old Brick Yard—Cutting Melons and Wages

THOSE who read the news of college commencements must have been observing with pleasure one priceless fruit of the New Deal. This is the season in which our institutions of hired learning go in for making honorary doctors. If you will go back to the old dead days and look over the crops of doctors singled out for the admiration of the academies you will be surprised at the difference in the type of men who are being selected this year. In those days, when the prexies sat down to pick a batch of candidates for honorary degrees they looked them up in Dun and Bradstreet. There wasn't much chance if you didn't have an AA rating. If you had ten million you might be made a Doctor of Commerce. If you had twenty million you might be made a Doctor of Letters. If you had fifty million or had access to that much, you might even be made a Doctor of Laws. If you were such an imposing figure as J. P. Morgan, you not only could get almost any degree, but the chancellor or governors would not even ask you to call and get it. Ordinary millionaires were dealt with on the cash-and-carry system. They had to come and get their diplomas. But New York University gave a degree to Happy Jack Morgan in the middle of a term and delivered it to him at his own tradesmen's entrance. The Chancellor went down with his retinue to the Morgan menage in Madison Avenue, put on their holiday canonicals, then paraded across the lawn to the library where they turned Jack into a Doctor of Commerce.

We had Doctor Eugene Grace, of Bethlehem Steel, Doctor Walter Gifford of Williams and Colgate, and Doctor Samuel Insull of Northwestern and Notre Dame. Dr. Julius Barnes has been quite a collector. He is an old grad (honorary) of Harvard, Dartmouth, Pittsburgh and Syracuse and so is Dr. W. W. Atterbury from the University of Pennsylvania, Yale, Villanova and Temple. There are plenty more—Dr. Andy Mellon and Dr. Loree and their ilk.

But this year it has been a little different. Of course, the boys must understand that after all it is a little dangerous to pick a big business man for an honorary degree these uncertain days. You might select him and get him fitted out for a cap and gown and then have him go bankrupt or even get indicted on you. And so the colleges have had to distribute the honors around to such unimportant figures as the new president of Princeton, William Lyon Phelps, Pearl Buck, Samuel Seabury, André Maurois, Benjamin Cardozo and such persons, from whom the colleges will probably never get a red cent. This year the Honorary Degree Department has had to pass its dividend.

But a few institutions have risked it once more. There was Syracuse, which gave a degree to Mr. William Woodin,, chairman of the board of the American Car and Foundry Company and, for the fleeting moment, Secretary of the Treasury. This is an example of the chance a college takes with such candidates. There was a disturbing possibility all the time that the good Doc woud get bounced out of the Treasury on the very eve of his graduation. However, the Doc got his degree not for his studies with the House of Morgan, but for his amazing achievements on the guitar. He was made a Doctor of Music. One cannot help wondering, however, if Syracuse wanted to honor music and a musician and a composer, why it didn't confer a degree on Irving Berlin or Rudolph Friml or at least on the genius who wrote "Yes, We Have No Bananas," and why the University, when it sought a new Doctor of Music, chose a millionaire guitar player. However, since Dr. Woodin has been so singularly honored, there is a chance for him to pay a delicate compliment to his new Alma Mater. Years ago the students in Syracuse used to have a song. Chancellor Day, its then famous head, in a letter to John D. Archbold, chuckled merrily over that song. It ran thus:

> We have a Standard Oil pipe running up to John Crouse Hall
> And a gusher in the stadium will be flowing full next fall.
> We need the money, Mr. Archbold,
> We need it right away.
> It's the biggest "ad" we've had
> Since the bulldog ran away.

Would it not be a nice thing now for Dr. Woodin to set that song to appropriate music?

Those who are concerned with the subject of power rates will be interested to follow the investigation into the rates charged by the Long Island Lighting Company which is being made by the New York Public Service Commission. This is one of the first studies in which the utility companies are now getting the benefit of that glorious legal doctrine of reproductive cost with which they frisked the American public during the years of high prices. Many interesting and illuminating facts are coming to light about the Long Island's system of appraising property values. One such instance is this. It had what it called the Post Brick Yard, at Glen Cove, which it set down as having a reproductive value of $350,000. Yet a company official was compelled to admit on the stand that this property had cost the company in 1924 only $65,000. Incidentally, the company included in its rate structure a lawn about the size of an ordinary small-home front lawn—forty by forty. And the cost of reproducing this lawn, which would involve about $3 for seed and $10 for labor, was fixed at $156.

If anyone has supposed that industry, while under the control, as it is, of the same men who milked it and wrecked it in 1929, will behave differently as soon as recovery becomes a fact, he is disregarding all the teaching of history. The New York Public Service Commission is learning that while the big utility companies of New York were ruthlessly discharging employees and slashing wages and working time, they were increasing the salaries of the executive officers. The facts are voluminous. Here is one example. The New York Edison Company increased the salaries of

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the principal officers from $149,700 in 1931 to $230,000 last year—an increase of around 70 percent. In the same period they cut wages by $1,300,000. And they still paid 12 percent in dividends. These investigations are the result of vigorous demands for action by organizations of power bill payers. Every community in the land should organize to force these power companies to conform to changed conditions. I would be particularly interested to hear from small communities as to their activities and their fruits.

JOHN T. FLYNN.

Two Native Groups

THE MUSICAL equivalent of one of the little vanguard magazines which introduce new authors to experimental readers cropped up at The New School last winter. This little "issue" took the form of an introductory concert of the works of eight American composers, none of them over twenty-four years of age and some of them considerably younger, styling themselves the New Composers' Group. The program of baby-pieces, little boy-and-girl pieces and up-and-coming defiant pieces presented on the occasion included a string-quartet by Bernard Herrmann, two songs for baritone by Jerome Moross, a piano sonatina by Israel Citkowitz, a ballet-movement, arranged for piano four hands, by Lehman Engel, four pieces for flute *duo* by Vivian Fine, six songs for soprano by Irwin Heilner, a violin sonata and three soprano songs by Elie Siegmeister, and "Music for a Five and Ten Cent Store," for piano, violin and percussion involving a milk bottle and an alarm clock, by Henry Brant. And the concert struck one as important in the very face of the circumstance that startlingly original revelations weren't in the least degree proliferated by it.

It did present us with a crop of young pieces, several of them sufficiently communicative of feeling, with more or less individually manipulated musical means, to assure us of the new emergence among us of something a deal more promissory than the ordinary run of talents. Citkowitz's delicate, limpid sonatina, for example, was couched in very pure counterpoint, and had a singing quality. Moross's settings of "Jabberwocky" and "Those Gambler's Blues" were strenuous, exciting, climactic: their musical projection of inner states, such as the gambler's hysteria, suggesting the predetermination of this young composer of "Gebrauchsmusik" for music-drama. Several of Heilner's and Siegmeister's bright little songs were youthfully lyrical. And while Miss Fine's pieces revealed her as touchingly but quite unnecessarily devoted to one or two excellent tricks, and Brant's fantasia remained an amusing but musically frail little tinkle, these compositions as well as those of Engel and Herrmann revealed a seriousness as well as an ambition.

Besides, the little concert exhibited a group of works having a collective individuality. Variously representative of tendencies shared by musicians of all existing generations, atonalism, neo-classicism, modalism, and the bent towards "Gebrauchsmusik," a majority of them were distinguished by their natural expressions of a singularly ingenuous, unarmed humor. And this striking, well-nigh general characteristic gave us good cause to assume that the eight young people banded together in this new group potentially represented something more than a fortuitous and defensive association: an American generation. Finding a distinct spirituality active in the organization of a number of rising personalities, made it seem but reasonable to suppose that the common temper displayed was the special one which their generation, in the manner of all bodies of coeval individuals, had brought along with itself into the world.

And more recent experiences have gone far to reënforce our feelings about the importance of the little January demonstration. Among the live novelties presented to us by various musical organizations since the evening it occurred, there have figured with no little honor a brilliant little Concerto to Flute with Orchestra of Ten Flutes, by Brant; a peppery little "Ballet," built of part exotic, part vulgar, coloristic instrumental effects, by Moross; three vigorously lyrical tenor songs, "Canthara," on poems by William Carlos Williams, by Heilner; a tremulously sensitive setting for soprano of Blake's "To My Mirtle," by Citkowitz; a very interesting one of Joyce's "Rain on Rahoon," also for soprano, by Vivian Fine; and an expressive orchestra Prelude to Andreyev's "Anathema," by Herrmann. Compared with those which represented it last winter, these newer compositions by our young group indicate, each one, an impressive growth.

Groups of Charles Ives's songs figured on the programs of both the second Pan-American concert and Elie Siegmeister's lecture-recital at Roerich Hall. The genuineness and roundness of the note of applause which followed their performance and echoed the acclaim which met the group of them given at last spring's Yaddo festival, together with the fact that a few of these subtly and sincerely expressive songs are now available in new editions, give earnest of their future currency. It is also to be hoped that it prognosticates the reimpression of the volume in which the "old master" of modern American music originally collected the entire hundred and fourteen of his lyrics.

This privately printed, most individual, richly inclusive tome, now the lucky windfall of second-hand music shops, is a sort of notebook exposing the whole of a creative mind; for the reason that ideas, many of them very brief, which were crystallized in the highly gifted composer during several periods of his life through his reading, or by public events and isolated experiences, and which have been dated and left in the idioms proper to these different periods, have been juxtaposed by him in its relatively narrow compass. And not only its revelation of the man's deeply sentient mind, but its rare expression of American life recommends the collection for speedy republication.

It is a book that must rank with *the* American books. Certainly, the Americanism of the extraordinary variety of songs included in it is not confined to the texts and subjects underlying them; largely as these reflect an American experience and concern with American political and cultural affairs. Nor is it due to the Americanism of the folk-tunes and street songs incorporated in the original music; even though the knowledge of and in particular the feeling for these popular expressions, manifest in the songs, do communicate the fruit of a long domestication on the soil which produced them. It is the quite fundamental quality of the music itself; touching us partly through the haunting

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New England eerieness and refined sensuousness of much of it, partly through the homeliness, the raciness, the humor and the spirituality peculiarly mingled in the animating spirit.

One even finds the spirit of American life expressed in the form of the collection itself, a miscellany in which simple street songs in march and waltz time, redolent of undergraduate days, rub shoulders with delicate impressionistic and powerful atonal lyrics. For miscellaneousness here embodies an idea. If Ives has associated a setting of "A Son of a Gambolier" for "kazoo" orchestra with exquisite songs representative of his fully matured individual powers, irrespective of the limitations of the early piece, it was indubitably for the reason given in his postscript: "I have not written a book for money, for fame, for love, for kindlings. I have merely cleaned house. All that is left is on the clothesline." But another reason was equally responsible for the association; expressed in his version of the good old American maxim that "Everything from a mule to an oak, which nature has given life, has a right to that life; whether they [its values] be approved by a human mind or seen with a human eye, is no concern of that right." Thus the collection stands, another worthy confession and consequence of the old national belief that all things possessing breath of their own, no matter how dissimilar, are ultimately compatible. PAUL ROSENFELD.

CORRESPONDENCE

Thunder over Eisenstein

SIR: For two years and a half my wife and I have been carrying the responsibility for the moving picture which Sergei Eisenstein made in Mexico. . . . It seems that the time has come for the facts to be made known and the misunderstanding cleared up. Here is the "inside" story.

In October, 1930, Eisenstein came to us, stating that he had come to Hollywood intending to make a picture. . . . As a result of what Diego Rivera had told him concerning the marvelous screen material in Mexico, he desired to go there and make a travelogue, which he could do in three or four months. He wanted somebody to raise the money for this, and my wife and I, full of sympathy for a great Soviet director whom Hollywood had failed to appreciate, undertook this heavy responsibility, and the expedition set out for Mexico.

The first thing that happened was that they were all thrown into jail, on the basis of telegrams from Los Angeles sent by anti-Bolshevik propagandists. We got them out and the work went forward. Eisenstein had said that he wanted to "lay his ear on the bosom of Mother Mexico and listen to her heartbeats, and be guided by what he heard." It appeared that the heart of Mother Mexico is a large one, and Eisenstein followed the sounds over an enormous territory. In truth, he fell in love with the country and I think would have wished to stay there the balance of his days. This was hard on my wife and me, who had the job of raising the money. This is a long story, which I won't even summarize. Suffice it to say that the three or four months extended to fourteen months, and the estimated amount of film, 75,000 feet, expanded to 232,000. We begged and borrowed from all our friends; my wife mortgaged the home we live in; we wrote letters to every person we could think of who had money or was interested in Mexico, Russia or in art. . . .

However, the time came when both money and health were completely exhausted. . . . Moreover, we learned that Eisenstein had contracts with his own government and had long overstayed his leave. . . . He and his expedition had to leave Mexico. He was hoping to come to Hollywood and cut the picture, but the United States government held him for five weeks at the border and effectually barred that chance. He obtained a "transit visa," enabling him to travel to Russia by way of New York, and we endeavored to make arrangements whereby the picture would be sent to Russia for him to cut it there. . . . However, after eight months of futile negotiations we realized that the arrangement could not be made. A deal was made with Mr. Sol Lesser, an independent Hollywood producer, for the picture to be edited and synchronized under his supervision. . . . The present editing has been done in accord with Eisenstein's ideas, and there is nothing in the picture that was not shot by Eisenstein. . . . Its principal episode is a story of oppression of the peons in the time of Diaz, thirty years ago. It is in accord with historic facts and all the Mexicans who have seen it approve of it. The prologue gives glimpses of the ancient Mexican civilization and the Spanish influences, both cultural and religious. The epilogue gives glimpses of modern Mexico, with a special emphasis upon those elements of athletics, youth, machinery and labor which appeal to the Russians. . . .

During the period of struggle over the fate of this picture, I was sick almost unto death over it; but now that I have seen the finished work, my attitude has changed. I believe that the picture speaks for itself, and I no longer have either regrets or apologies. Hugo Riesenfeld came on from New York and made a musical score which is so eloquent that it turns a silent picture into a talking picture. We had a press preview in the Carthay Circle Theatre in Los Angeles on the evening of May 10, and the work was received with acclaim by a thousand invited guests, motion-picture experts, journalists, musicians and artists, Mexicans and Russians. I close by quoting the opening sentence from a review in Rob Wagner's Script:

> At last we are permitted to see the bastard child of the shotgun marriage of Moscow and Hollywood. And like so many illegitimate children, it is more beautiful than either parent.

Los Angeles, Calif. UPTON SINCLAIR.

Unemployed Alumni

SIR: In reference to the editorial in your issue of May 17 dealing with unemployed college alumni. . . . I refer particularly to the figures you quote for Harvard College, Class of 1932. The first report of this class has just been issued and analysis of it reveals not that only 5 percent are at this time employed or otherwise occupied as indicated by your figures, but rather that 76 percent are either employed or are preparing for professional work in graduate schools. You may be interested to know that these figures are based not on 490 men, but on 859, 719 of whom are bachelor's degree holders. Two hundred and sixty-one of these men are employed, principally in business or teaching. Four hundred and two are attending graduate schools. (This proportion is about the same as the proportion of previous classes attending graduate schools.) One hundred and eighty-nine have either not been heard from or do not give their occupation. Seven are traveling. It is fair to assume that a large number of these last mentioned 196 are unemployed, but you will readily see that the number is not 465, as your editorial indicates.

In offering you these data, my purpose is not to minimize the unfortunate plight of unemployed college alumni. No one knows better than a college placement officer the hardship and misfortune which abound among this group of men today. On the other hand, there is no occasion for becoming unduly concerned about the matter. . . .

DONALD H. MOYER, Assistant Director,
Cambridge, Mass. Harvard Alumni Placement Service.

[As was stated in our editorial, the information on which it was based was assembled in the course of an extended research

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into this problem by the Misses Carmen Haider and Andree M. Emery. Mr. Moyer's letter was referred to them in advance of publication, and they have made the following reply.—THE EDITORS.]

SIR: In reply to the statement of Mr. P. H. Moyer, we should like to correct the error in our figures on the total number of Harvard graduates in the class of 1932. At the time of our writing the official class report for 1932 had not yet been published, but our figures came from Harvard University. We now have the official report before us and, according to it, the total number of graduates is 684 (and not 719 as Mr. Moyer states). Two hundred and sixty-one of these men are supposedly either in business or teaching. We have scrutinized the report case by case and have found that only twenty hold teaching positions. Of these at least one to our knowledge does not receive any remuneration for his services. Four others act as tutors. It is difficult to say how many of the remaining 237 are gainfully employed, but it is likely that the majority of the twenty-nine salesmen, the twenty-one insurance brokers and agents and the five men in the real-estate business in this group are working on a commission basis. How hopeless such an employment is can be judged from the fact that the West Side Y.M.C.A., New York City, refuses to place men in this kind of position. Not more than 144 of those in business are certain of a regular monthly salary. Approximately half of these, however, do not give their positions with the company for which they work, which seems to suggest that they are ashamed of their occupation, or they frankly state that they are clerks. It is highly probable that many among these and also among the salesmen and insurance agents have chosen that work because no other kind was available. The occupations of the men whom we classified in the miscellaneous group seem to bear out that idea. They include sailors, gardeners, coal miners, hallmen, etc. One admits that he is on the relief pay roll of the Emergency Work Bureau.

The conclusion, then, is that approximately 150 of those employed in business or teaching have rather precarious positions. If to these we add the 196 men who failed to report their occupation (and even Mr. Moyer states that a large number of them are probably unemployed), we obtain a total of approximately 350 men who find it difficult to face life after graduation from college. That is more than half of the graduating class. We are therefore forced to disagree very seriously with Mr. Moyer's statement that there is no occasion for becoming unduly concerned about the matter. It seems rather strange that the assistant director of the Alumni Service of Harvard University, who undoubtedly must be familiar with distress among college graduates, should take such a stand.

CARMEN HAIDER,
New York City. ANDREE M. EMERY.

Extracts from Letters

ALFRED BAKER LEWIS, Boston, Massachusetts, writes to express his agreement with the article by J. A. Hobson in our issue of June 21. He observes that "We produced in 1929 38 percent more actual physical goods in manufacturing than were turned out in 1919. This result was accomplished by 3 percent fewer workers, due to the increased use of speed-up systems and new machinery. The total pay rolls of manufacturing only increased by 9 percent, however. Naturally, you can't in the long run sell 38 percent more goods to people with only 9 percent more pay. Therefore, we have 'overproduction' as the owners of industry call it, and unemployment. There is no international factor in this analysis of the cause of our unemployment. We can get rid of unemployment only if we raise wages and/or reduce the hours of labor equally with increased productivity."

J. Loeb, executive secretary, The Friends of the Chinese People, New York City, makes a protest against the sale of American wheat and cotton worth $50 million to the Nanking government, financed by a loan by the Reconstruction Finance Corporation. Mr. Loeb says that China does not need wheat; that the market price is lower in China than in America, that the Chinese could profit by milling their own wheat, and that if it must be bought, it could be bought more cheaply nearer home. He feels the transaction increases the burden on the Chinese peasants, and believes that the wheat and cotton will be used to feed and clothe the troops of the Chiang Kai-shek government "so that these troops may continue their attacks on all opposed to Chiang Kai-shek which now includes, since the Japanese invasion of Shanghai and particularly since the Japanese invasion of North China and Chiang Kai-shek's capitulation and betrayal, the larger section of the Chinese people."

Maxmillian Olay, Chicago, Illinois, writes to protest the phrases used by John Gunther in a recent article in The New Republic to characterize the anarcho-syndicalist uprising in Spain. He thinks it is unfair for Mr. Gunther to refer to this as "rioting," inasmuch as it was an attempt at revolution. He says that "direct action," as advocated by the anarcho-syndicalists, "means simply direct dealing with employers, no parliamentary politics, the improvement of present conditions and eventual emancipation attained through economic power and revolution." Instead of 600,000 anarcho-syndicalists, Mr. Olay says there are more than a million. He feels the Socialists in Spain have lost significance because they have laid aside their Socialist program for the sake of immediate objectives.

In justice to Mr. Gunther it should be said that the alarm he expressed over the anarcho-syndicalists was because the organization has no political aims. As he wrote: "Here are some 600,000 men who could, if they insisted, possibly force a 'legal' revolution in Catalonia, who refuse to vote or even to concede that an election takes place." He adds that "I searched for days in Barcelona for a syndicalist who would admit to anything further than a project for semi-trade unions exclusive for each industry and entirely autonomous with respect to each other."

William Zorach, the well known sculptor, makes a criticism of the article by Aldous Huxley in our issue of May 31, "American Sources of Modern Art." He thinks Mr. Huxley paid too little attention to "the magnificent sculptures, ceramics and textiles" in the pre-Columbian Exhibition at the Museum of Modern Art, New York City. Mr. Zorach thinks it is a mistake to study such work as was exhibited from the historical or archeological point of view and finds "the works of ancient American art in the Modern Museum amazingly fine both in art content and in craftsmanship. To me and to many other American artists, the exhibition has been a great experience. It emphasizes once more the truth that the tradition of art and craftsmanship are as old as man himself, and that the desire of man to recreate himself in a more perfect image and a more permanent form, either physically, spiritually or mystically, has existed in all races at all times." Mr. Zorach feels that Mr. Huxley's appreciations "appear to be those of a man who is interested in African sculpture, and who tries to find in pre-Columbian art the emotional quality of African art" and believes he stresses too much the "horribleness" of Aztec art. "For the artist it is not horror or ferocity which is the impressive thing about Aztec sculpture, but its largeness of scale, its terrific intensity and power, the power of a volcanic eruption. . . . Mr. Huxley does not get the connection between modern art and the art of ancient America. It does not occur to him that this is because he is not familiar with the subject. It is the modern artists who have opened our eyes to the esthetic quality of ancient American art, and no American artists have been more important in this connection than the small group in the Modern Museum show. It seems to me that what has confused Mr. Huxley is that these artists are not obvious imitators of pre-Columbian art. They have absorbed its spirit rather than its mere physical appearance."

Pauline Rogers writes on behalf of the United Children's Camp Committee, 870 Broadway, New York City, to appeal for funds to aid the Workers' Children's Camp at Wingdale, New York, which gives short summer vacations to the children of impoverished workers.

Paul H. Douglas writes in comment on Harold Laski's article, "Self-Determination for Faculties," in The New Republic of June 21. He points out that both the present president of the University of Chicago, Robert M. Hutchins, and his predecessor, Max Mason, were selected by a joint faculty-trustee committee of ten, five of whom represented the trustees and five were democratically elected by the faculty from among their number.

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The Social Novelist

Men of Good Will, by Jules Romains. Translated by Warre B. Wells. New York: Alfred A. Knopf. $2.50.

IT IS interesting to speculate on what the reception of this novel might have been if it had been published without Romains' preface—if Romains had followed Joyce and Proust, that is, and allowed his readers the free use of their interpretive imaginations in accounting for the sequence of events. It is particularly interesting because so much of the critical enthusiasm that "Men of Good Will" has aroused has been based on the preface and on Romains' plans for his future volumes, on the enormous scope of the novel that the preface suggests. And although the preface contains a few pointed observations on the modern novel, and clarifies some parts of "Men of Good Will," it also has the effect of directing and limiting the reader's attention as far as this first volume is concerned.

Leaving aside the preface for a moment, "Men of Good Will" is a complex presentation of different aspects of life in Paris, introducing about fifty characters and about ten times that many varied kinds of activity. The first book, subtitled "The Sixth of October," begins with a broad picture of the characters awakening, going to work, walking through the streets, reading their papers and doing other such familiar things; the pictures are brief, sometimes no more than a sentence, and Romains is evidently attempting to suggest the emotional and intellectual consequences of these routine adventures. Three or four leading themes dominate the book: the exceptionally fine weather, trouble in the Balkan states, the threat of a European war, a panic in the stock market—happenings of which most of the characters are aware and which indirectly relate them to each other. Gradually individuals are detached: there is Quinette, bookbinder, who is first introduced through the slight agitation he feels when a pretty woman walks into his shop; a radical deputy and his mistress; a schoolmaster who is so troubled at the war danger as to warn his students; a sign-painter's apprentice who is gently absorbed into a higher level of society. Before the day is over, the relationships of some of these people have become apparent; the deputy's mistress is indirectly involved in political intrigues which touch her lover and some wealthy and unscrupulous men who are fighting him; Quinette, the bookbinder, becomes entangled with a murderer.

The second book, "Quinette's Crime," beginning a week later, reveals these relationships more firmly established: Wazammes, the apprentice, begins his career in both love and business, the threat of war still dominates the schoolmaster and the radical groups in which he moves, the struggle between the deputy and the representatives of the oil companies is intensified, but the bulk of the book is given over to Quinette's deepening entanglement with the murderer, and to the murder he eventually commits to free himself. The supplementary, unrelated episodes, dealing with family life or isolated events, supply contrast and give meaning to the exceptional nature of Quinette's experiences and those of the deputy and Wazammes.

This, I think, is a fair summary of the impression given by the book itself. Romains is principally interested in the transitions of his characters from one group, from one way of living, to another. He gets his drama out of the uncertainties, the agitations and expectations that come with such transfers. Wazammes is absorbed into the real-estate apparatus of Paris in precisely the way that Quinette is drawn into the worlds of the police and of crime. Wazammes' seduction by a mysterious, older woman is but a complement to the rise in his social position, one of the results of his increased self-confidence and of his changed outlook on the world. Romains is fascinated by these transitions, much as Proust was fascinated by the changes which took place, over a period of time, in the individual; but where Proust was distressed or wounded by the changes in a Charlus or Swann, and could never contemplate the wreckage of the present Charlus without thinking of the Charlus of years before, Romains is indifferent to the moral or esthetic aspects of the transitions of his people. He seems to study their movements in the way that an engineer might measure the changing currents of a river, and his interest lies in the phenomenon rather than in the emotions it calls forth.

But no hint of this appears in the preface. Instead Romains defends his project of writing a long novel, and points out the weakness in modern novels which present life revolving around one man or one family.

> I face the fact that this life of ours is very difficult to group around any central character; that indeed it obstinately refuses to be so grouped. . . . A century ago it may not have been absurd to make the whole life of a city like Paris gravitate around a single individual, and associate everything with the experiences of one man. Today, in my belief, it would be rather ridiculous.

He warns the reader against making premature judgments, and congratulates himself that the "unity" and trend of his novel will become apparent only gradually. "Neither Truth nor Justice walks our streets in any recognizable uniforms." He is so determined that the reader shall not form definite judgments that he inserts an elaborate internal parallel in the story, showing the mistaken impressions a group of bystanders get from the first few letters of a sign that is being painted—the watchers make all sorts of wild guesses as to what the sign will advertise, and all are wrong.

It is to the attitude most clearly expressed in the preface that the major weaknesses of "Men of Good Will" can be traced. The natural corollary of Romains' theory—that modern life cannot reasonably be shown revolving around an individual—is that no individual in his larger picture can receive a disproportionate attention. Consequently whole sections of this book read like the first scenes in bad plays, those scenes in which one character divulges a situation by saying something like, "Well, Brother John, it was just seven years ago today, you remember, that Father died. . . . " So two Socialist workers, old friends, meet and discuss their leaders and the problems of the working class in terms so elementary you would think they had never met before, or never discussed these things; and the radical deputy's boudoir confidences seem addressed to the audience rather than to his mistress. Romains seems to be continually suppressing his characters, keeping them in their places, not permitting any particular sequence of events to take on independent interest. Such passages confirm the dominant impression conveyed by the preface and by the little episode of the sign-painters; namely, that Romains credits his readers with rather limited powers of perception, and that he is dominated by the fear that they will not get his points.

This is not to say that there are not extremely interesting fragments in the novel; the relationship of Quinette to his victim, for example, is remarkably well done, and

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the gradual dissolution of the murder from a mystery to a sordid annoyance is fully communicated. The scenes of Wazammes' seduction are charming, and original in the good sense of the word. But it is impossible to escape a conviction that Romains has set up an artificial problem to solve. Who, specifically, has tried to show "modern life" revolving around a single individual? Even Proust's hero, for all his insulated environment, is touched and influenced by happenings far removed from him though such happenings only superficially "revolve around" him; some of his moods, for example, are organically connected with such social affairs as the Dreyfus case, and Proust is at pains to trace such subtle relationships. In this connection it is interesting to note the difference between Proust's use of the Dreyfus case and Romains' use of the Balkan incident: in Romains' novel the threat of war is given by direct statement or in awkward political conversations, but to Proust both the Dreyfus case and the War intrude into *all* aspects of human life; they have their social consequences down to such details as the clothing men wear and the language in which they speak, to such strictly "private" doings as the individual's sexual relationships. The great point of the novel is precisely the isolation of these powerful and invisible connectives. And the distinction that Romains makes, the mechanical way in which he sees influences at work, has the effect of leaving his characters "compartmented," in Matthew Josephson's phrase: their acts do not spread to have their repercussions on the entire population of the novel. His alternative unity—the relations of events to a kind of mystic group life arising from all the myriad activities of Paris—does not greatly interfere with the reading of "Men of Good Will." But neither does it give us a very attractive vision of the forthcoming volumes of the novel.

ROBERT CANTWELL.

Problems of Inflation

Bankers' Gold, by Edgar Lawrence Smith. New York: Simon and Schuster. 154 pages. $1.50.

Inflation, by Donald B. Woodward and Marc A. Rose. New York: Whittlesey House. 165 pages. $1.50.

The Primer of Inflation, by Earl Sparling. New York: The John Day Company. 133 pages. $1.50.

THE SIMULTANEOUS appearance of three books on the same subject, all designed for the same "general readers" and all to sell at the same price, suggests that competing publishers are threatened with an inflation of books on inflation. Coincidence, however, does not end here. All of the authors have treated their subject in similar fashion, combining short historical sketches of the most famous cases of inflation with simplified statements of monetary and credit theory. Each of the three books contains, for example, a very readable brief history of the Mississippi Bubble in France, and an account of the post-war catastrophe to German currency. Furthermore, each book is, in one way or another, a good book. Each of them also contains flaws of omission, of looseness, or of gross error. They are listed above in what seems to the reviewer to be the order of their merit. The distinctions, however, are not great, and it would be difficult to maintain that one of the books is much better, or much worse, than the others.

The first chief merit that is common to all of the books is their lucid and realistic treatment of the process by which bank credit feeds upon itself to benefit bankers, promoters and certain classes of speculators, and to destroy security in economic relations. The second is their clear account of the way in which currencies, when cast adrift from an anchorage to substantial and realizable values, grow more and more water-logged until they get out of control and are swamped. In this connection, the authors draw up casualty lists of both passengers and crew.

The more subtle problems are those involved in what appear to be the flaws common to all three of the books. The basic one consists in the very conception of inflation. All of the authors consider inflation to be a condition of rising prices. Messrs. Woodward and Rose make it explicit by saying: "By definition, inflation means rising prices, increasing volume of money and spending of money." Admitting that an author is entitled to some discrimination in the meaning he gives terms, this definition is inadequate and misleading in the sense that it obscures an important problem. A more illuminating conception would be that monetary inflation means an increase in the amount of purchasing power entering the market, without a concommitant and proportionate increase in the quantity of goods and services entering the market. Generalizations concerning the generic subject, "inflation," are difficult of substantiation. Sometimes commodity prices rise. Sometimes they do not. There was an inflation of bank credit in 1928-29 and, although some commodity prices rose and others declined, the "general price level" of commodities did not rise. A number of prices have risen during the past few weeks. Yet there are smaller amounts of both currency and bank credit in circulation than was the case last January. The relationships which mutually obtain between money (currency or bank credit) and prices are not axiomatic; they are problems which demand investigation and analysis. To say, as these writers do, that inflation means rising prices, which in turn means such and such effects to various classes in the community, does not answer the questions which are of basic importance here and now. These questions are: Will a particular mode of inflation cause prices to rise? If so, what prices and how much? In terms of the objectives to be achieved, is a particular method of inflation preferable to a particular alternative method? Such answers to these questions as can be drawn or inferred from any of the books under review are of little use toward solving the immediate problem of policy. "Inflation" just now is one of the loosest words in the language—which is all the more reason why writers on the subject should be careful in the use they make of it.

None of these books gives an account of the potentialities in the present fashion of currency depreciation. They do not point out that reducing the price of one currency in terms of other currencies places a tremendous pressure on competing countries to depreciate their currencies to still lower levels. How this tends, starting in the financially weakest countries and following in the stronger ones, to induce a cumulative and catastrophic "printing press" inflation, is a matter of the gravest importance at the present time.

It is in their historical summaries and in their (somewhat overgeneralized) predictions of what may be expected to happen *if inflation does result in higher prices* that all of these authors are at their best. It is in regard to immediate problems of policy that they are least adequate. All of them incline to the "controlled currency" and "moderate inflation" principles. Mr. Sparling points to the recent experience of Great Britain as a partial realization of "Sir Basil Blackett's dream of a planned and managed non-gold-backed currency." He fails to add, however, that the apparent price stability achieved in this case has been contingent on the depreciation of British currency relatively to

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the currencies of other industrial countries, and that the British could not have done it if the other countries had tried to do the same thing. Messrs. Woodward and Rose point out merely that "the money system is man made. It can be man controlled." From this they conclude that "we should stabilize with a managed money." This is hardly definitive. Mr. Smith proposes that the currency be managed in such a way that "an upward movement of, say, 4 percent (per annum) would be permitted" and, in fact, supported. He fails to make clear, however, just what the 4 percent is a percentage of. Later he says that the movement of goods and services should be "free of obstacles, such as tariffs, and fluctuations in the mediums of exchange." But can Mr. Smith be at once an economic nationalist and a laissez-faire internationalist? Can he have a controlled national system in which something would be induced to make "an upward movement of 4 percent" and at the same time dispense with protective tariffs? It seems doubtful.

HORACE TAYLOR.

Progress: 1933 Model

Animal Life and Social Growth, by Warder Clyde Allee. 159 pages.

The Universe Unfolding, by Robert H. Baker. 140 pages, illustrated.

The Queen of the Sciences, by Eric T. Bell. 138 pages.

Man and Microbes, by Stanhope Bayne-Jones. 128 pages, illustrated.

Earth Oil, by Gustave Egloff. 158 pages, illustrated.

Insects: Man's Chief Competitors, by W. P. Flint and C. L. Metcalf. 133 pages, illustrated.

Flying, by Major General James E. Fechet. 138 pages.

Chemistry Triumphant: The Rise and Reign of Chemistry in a Chemical World, by William J. Hale. 151 pages.

The Story of a Billion Years, by W. O. Hotchkiss. 137 pages, illustrated.

The New Necessity: The Culmination of a Century of Progress in Transportation, by Charles F. Kettering and Allen Orth. 124 pages.

Evolution: Yesterday and Today, by Horatio Hackett Newman. 171 pages.

Our Mineral Civilization, by Thomas T. Read. 165 pages.

Adjustment and Mastery: Problems in Psychology, by Robert S. Woodworth. 137 pages.

Time, Space and Atoms, by Richard T. Cox. 154 pages, illustrated.

New York: The Century Company, and Baltimore: The Williams and Wilkins Company. Century of Progress Series. $1 per volume.

IT IS estimated that fifty million people, or nearly half the population of the United States, will receive a liberal education in the Century of Progress Exposition, opened in Chicago by light beams from the star Arcturus on the evening of May 27. As almost a third of this total represents the number of American citizens who are quite literally living in the red, the epithet "Progress" rings a little hollow; and shall we hope that among the visitors will be found a sprinkling of those "10,000 highly trained industrial-research scientists" who, according to Science Service, "are not engaged in scientific research due to the economic depression"? Some of them may have the ironic satisfaction of recognizing their own handiwork, contributing to make a Roman holiday for the most materially favored, technically competent and socially reckless people on the face of the globe.

It is the commendable aim of the "Century of Progress Series" "to depict graphically and systematically the last hundred years of intellectual endeavor," as revealed in the swiftly accelerating march of scientific knowledge and its auxiliary, technical mastery of the environment. The titles thus far published range over a wide field, with varying degrees of success, as might be expected from the points of view represented and the brevity of treatment demanded in each case.

Particular praise must be accorded to Professor Eric T. Bell for his brilliantly written resume of Mathematics, "Queen of the Sciences." In addition to being one of the ablest mathematicians in America, Professor Bell is endowed with a sense of humor and a healthy skepticism which makes one regret that he does not write more on science for the general public. He would be an admirable continuator of that "Budget of Paradoxes" in which Augustus De Morgan ridiculed the mathematical absurdities of *homo sapiens*.

Much sound information is to be found in Cox's "Time, Space and Atoms," in which the reader is *not* regaled with philosophic perversions regarding Freedom of the Will as shown in Heisenberg's "Uncertainty Principle"; and Baker's rapid descriptive survey of astronomy should be a very useful guide to those who visit the Adler Planetarium at the Exposition. The biological sciences are well represented: Newman's concise brief on Evolution is ably supported by Allee, by Flint and Metcalf, and by Bayne-Jones. Allee writes on Ecology, which is a hard word for a fascinating subject—the social aspects of animal life; in "Insects, Man's Chief Competitors," Flint and Metcalf leave little doubt that the recent "termite invasion" of New York is but one indication of what would happen to man if some of the 600,000 varieties of insects were to stage a real offensive against his possession of the earth. And Bayne-Jones shows what part of this offensive is managed by microbes and parasites.

Of the volumes on technology proper the best are those on Minerals (Read), Earth Oil (Egloff), and Chemistry (Hale): introductory to these is Hotchkiss' "Story of a Billion Years," an account of Geology marred by an occasional sentimental lapse, as where the rise of mammals is associated with "the great quality of mother-love." Between them, Read and Egloff tell the story of America's fabulous natural resources and the manner of their utilization: reading them is to feel that this titanic "Continent of Power" has doomed the prevailing economic structure to an inevitable, if very painful, extinction. Incidentally, Egloff's book is the best illustrated of the series.

Fechet's brief survey of Flying is historically interesting, but disappointingly inadequate on the technical side, and the complete absence of illustrations is inexcusable. Kettering's book on the automobile is little more than a glorified salesman's manual; the dollar sign is in evidence to a degree that is distinctly unpleasant in a presumably technical account of a major invention. (Mr. Kettering, it may be noted, is vice-president of the General Motors Corporation.) To obtain a broader knowledge of "The New Necessity" one would have to read the elaborately documented chapter on Communications in "Recent Social Trends."

To sum up, the "Century of Progress Series" represents an excellent idea unevenly carried out. Increasing emphasis should be laid on the technological subjects, and there should be a more careful selection of the authorities assigned to them. The point of view should be strictly

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controlled by *social,* not narrowly economic or pecuniary perspectives, and there should be a consistent recognition of the fact that, through technology, science is compelling a drastic redefinition of all social concepts, particularly those of wealth, labor, culture and progress. It is desirable that *every* volume should be liberally illustrated, and be supplied not only with a good index but also with bibliographical material. Improvement along these lines will greatly enhance the educational value of the Series to a public increasingly aware that—as stated in so conservative a document as the "Committee Findings" of President Hoover's Committee on Social Trends—"Modern civilization rests upon power, upon energy derived from inorganic rather than human or animal sources."

HAROLD WARD.

Transition

The Rise of the City: 1878-1898, by Arthur Meier Schlesinger (History of American Life. Volume X). New York: The Macmillan Company. 494 pages. $4.

JUST FORTY years ago Frederick Jackson Turner interpreted the passing of the frontier as the end of the most American phase of American history: the decline of the agricultural era meant, by implication, the advent of the urban, and Professor Schlesinger, with a correct sense of the significant, makes the "Rise of the City" the focal point of the period 1878-98. "Long foreshadowed, it had at last become an actuality. A civilization traditionally rural was obliged to come to terms with a civilization predominantly urban. The process was painful and confusing. . . . " So confusing was the process, indeed, that Mr. Schlesinger has divided the task of plotting it; he has confined himself, in this volume, to its social and cultural manifestations, and allocated its economic history to a subsequent volume by Miss Tarbell. The division, dictated by apparent necessity, is nevertheless unfortunate, for economics is the warp upon which the social patterns of these decades was woven; yet the thorough treatment which Mr. Schlesinger is able to accord such subjects as education, religion, social reform, arts and letters, goes far to justify the arbitrary division.

The city is the focal point of the analysis. "It is envisioned," remarks Professor Fox in his introduction, "as the dominant force of all those impulses and movements which made for a finer, more humane civilization. . . . " Most illuminating is Mr. Schlesinger's description of the solution of those pressing problems of urban life—water supply, sewage, sanitation, hygiene, transportation, lighting, housing, law and order, crime and vice—to which the statesmen of the new age, engineers, inventors, doctors, sociologists, addressed themselves. Brooklyn Bridge is not only a great work of art but a symbol of the new age, and the creation of an adequate water supply and the war on typhoid and yellow fever far more significant than the eloquence of politicians or the clash of armies. Mr. Schlesinger examines the whole astonishing range of social activities and interests—the emergence of women and their emancipation from household drudgery, from Victorian morality and from legal restraints; the development of education, not only through schools but through the press, libraries, advertising, the Chautauqua and lyceums; the pursuit of happiness in manifold guise—sports, the theatre, burlesque, the circus, the opera and popular songs; the quest for salvation and the readjustments in American religion under the impact of science and philosophy and new social problems; the rise of organized philanthropy, settlement work, prison and penal reform and the development of a new and more scientific humanitarianism; the literary and artistic interests of the period, with particular emphasis on their more popular aspects. Mr. Schlesinger's attitude throughout is illuminating, and serves as a corrective to the more conventional interpretation of "culture." Bertha Clay and Martha Finley find themselves in the company of Crane and Howells; dime novels are displayed alongside The Atlantic Monthly; the blare of Sousa's band drowns out the music of Theodore Thomas's orchestra, and Rogers groups compete with St. Gaudens' masterpieces for attention.

All of this is but an indication of the myriad interests and activities that Professor Schlesinger describes. This catholicity of interest, this flood of detailed information, reveals both the virtues and the inadequacies of the volume. "The Rise of the City" is not only a record of social life, it is an essay in the new history. No contemporary historian has illustrated more consistently the ideal of history as a description of all the interests of man than has Professor Schlesinger in this book. Yet it may be suggested that the volume adds to our information rather than to our wisdom. Mr. Schlesinger has deliberately avoided interpretation and abdicated criticism: he presents to us the facts, selected indeed with intelligence and discrimination, but facts of a quantitative rather than a qualitative nature. He asserts the primary significance of the mechanics of society rather than the ends; he is interested in fashions rather than characteristics and in characteristics rather than character; he records manifestations rather than inquires into explanations. He is not concerned with the animadversions of a Mumford on the pragmatic acquiescence, of a Parrington on the failure of liberalism, of a Royce on the destruction of provincialism, of a Santayana on the pervasiveness of the Genteel Tradition. We cannot admire too much the accuracy, the scholarship, the thoroughness, the catholicity, the impartiality, of Mr. Schlesinger's essay in the new history, but like the life which it describes, it is overwhelming, and demands a philosophy.

HENRY STEELE COMMAGER.

Book Notes

BIOGRAPHY AND MEMOIRS

IVAN THE TERRIBLE, by Stephen Graham. *New Haven: Yale University Press. 335 pages. $3.*

Ivan, the first Tsar of Russia, was not a general nor a statesman nor a religious enthusiast; he was a petty, vicious bureaucrat with the sexual and sadistic appetite of a giant and the absolute power to satisfy his will. He was, for all his non-European background, an embodiment of one trend of the sixteenth century, that of cruelty. The age of Ivan cannot be compared with the era of Elizabeth, his contemporary; for Ivan's people, life was a bare, mean struggle for existence and nothing more. The emphasis of this first full account of him in English is upon his personality, not his historical importance. Mr. Graham avoids interpretation and elaboration, sticking pretty closely to what he could dig out of the chronicles of the times and the journals of English visitors. Despite its lack of body, the biography is a good one, interesting because of Ivan's uniqueness.

JESSE MACY: AN AUTOBIOGRAPHY, edited and arranged by Katharine Macy Noyes. *Springfield, Ill.: Chas. C. Thomas. 192 pages. $2.*

Born in 1842, of a family of pioneers, practically self-educated, a professing Quaker, Jesse Macy died in 1919, having given his life to spiritual adventure and, according to his lights, to the service of humanity. The manuscript left by him is incomplete,

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but what there is of it is extremely interesting. Macy details with great zest his life as a pioneer, and is at sharp variance with those writers who describe the pioneering life as one of hardship. He tells of his boyhood experiences among Quakers and the influence the advent of Darwinism had in molding him in harmony with the scientific spirit, which thenceforth became the animating force of his life. He was drafted into the Civil War as a conscientious noncombatant, and no amount of bullying from his military superiors could force him to take up arms, or, for that matter, do anything whatsoever not in accordance with his principles. The final chapters are devoted to "Education," "Authorship" and "American Politics." Macy rose high in the educational world and, in spite of his lack of academic preparation, his studies ultimately won him the presidency of the American Political Science Association and other well deserved honors. He enjoyed the friendship of Lord Bryce, with whom he collaborated on "The American Commonwealth." Mr. Albert Shaw prefaces the book with a generous tribute.

NO TIME LIKE THE PRESENT, by Storm Jameson. *New York: Alfred A. Knopf. 288 pages. $2.35.*

Miss Jameson's autobiography, another document from that defeated generation which came to maturity at the time of the War, begins with a childhood on the coast of Whitby in England, where there were cliffs, sea-going ships and water like "graven steel in the weak sunlight." Her parents are recalled, and the brother who was to be shot down in 1917. She tells of school life, of her master's thesis, of writing the first of her novels, of her marriage. She thinks that the story of her life "ends with the end of 1914." The passages against the churches, politicians and writers who supported the War are bitterly eloquent.

Drama

ACTING: THE FIRST SIX LESSONS, by Richard Boleslavsky. *New York: Theatre Arts, Inc. 150 pages. $1.50.*

A book for actors by an actor and director, now in Hollywood but formerly with the Moscow Art Theatre. The essays (or lessons) are in the form of dialogues. The list of six deals with concentration, memory of emotion, dramatic action, characterization, observation and rhythm.

WORLD DRAMA: AN ANTHOLOGY, edited by Barrett H. Clark. *New York: D. Appleton and Company. 2 vols. 1,347 pages. $10.*

Two volumes, with an introduction, giving a sort of panoramic view of world drama from early epochs to the modern. Among the plays are "Sákoontalá," the famous Indian drama; the anonymous Chinese play of the thirteenth or fourteenth century, "The Chalk Circle"; three Japanese plays, among which is one hitherto untranslated, "The Wise Virgins and the Foolish Virgins"; plays of France, Italy, Germany, Denmark, Norway and Russia. The Italian folk play "Bilora" appears here in its first English translation. The rest of the list includes: Cervantes' "The Cave of Salamanca," Racine's "Bérénice," Molière's "The Cit Turned Gentleman," Beaumarchais' "The Barber of Seville," "The Demi-Monde," by Dumas *fils,* Schiller's William Tell" and Ibsen's "A Doll's House."

MASTERPIECES OF THE RUSSIAN DRAMA, edited by George Rapall Noyes. *New York: D. Appleton and Company. 913 pages. $7.50.*

The plays selected for this volume are from the eighteenth, the nineteenth and the twentieth centuries, so that they serve not only as a collection of ranking pieces out of the Russian theatre but also as a kind of historical outline. The extreme in modernity is represented by Mayakovsky's extravaganza, "Mystery-Bouffe." Such famous plays as "The Cherry Orchard," "The Inspector," "A Month in the Country," for example, are included; Andréyev's "Professor Storitsyn," Ostróvsky's "The Poor Bride," Count Alexéy Konstantínovich Tolstoy's "The Death of Ivan the Terrible" and Písemsky's "A Bitter Fate" are among those not so familiar to our stage. The volume begins with "The Young Hopeful," by Denís Ivánovitch Fonvízin (1782). There are in all a dozen plays translated by or, for the most part, under the eye of Professor Noyes. Notes on the authors, a reading list in the Russian drama and a full introduction accompany the plays.

Fiction

PITY IS NOT ENOUGH, by Josephine Herbst. *New York: Harcourt, Brace and Company. $2.50.*

Miss Herbst has written the story of a Pennsylvania boy who went South in 1868 to get rich quick. He did get rich, and was able to send his mother and sisters presents of silver tea sets and fine watches, but his success was followed shortly by a flight from justice, first to Canada, and then, under an assumed name, to Colorado. He made an unfortunate marriage and died some time around 1896, penniless and mad. The book is principally Joe Trexler's story, but there is also the story of Catherine, his oldest sister, who died, so her family believed, of brain fever brought on by distress at Joe's dishonesty; the story of Anne Trexler, whose unwavering tenderness for her brother makes her the second most important figure in the book; the stories of the incorruptible old German mother; of Hortense, the unhappy youngest sister; of the brothers, Aaron with his dead mistress, David with his easy, ungenerous success. The book is packed with people, all well drawn, and always portrayed in action. The scene—the United States from which the present United States has developed—is done with ample detail. They had everything in the 1870's and 80's and 90's that we have now: corruption in office, legal murder of anarchists, strikes, hard times (the grain for the chickens cost more than the eggs would sell for), speculation in land or in anything else, business methods of every man for himself and the devil take the hindmost. In her later chapters Miss Herbst attempts to suggest the dawn of a great social awakening. "Poor Joe," on the verge of insanity, reading the last words of the dead anarchists—"There will come a time when our silence will be more powerful than the voices you are strangling today"—is impressive, one of the best things in the book, but the chapters on Seattle, 1918, seem weak, a sort of afterthought to point a moral which did not need to be pointed. Miss Herbst's prose style stands up better in a short story than in a novel; the laborious colloquialism of the writing keeps the book, otherwise rich in vitality, from being an absolutely memorable piece of work.

EVELYN PRENTICE, by W. E. Woodward. *New York: Alfred A. Knopf. $2.25.*

Evelyn Prentice is another reproduction of that lady of fiction who, becoming bored with life, plays with fire until she almost gets burned. The boredom is largely supplied by her successful lawyer husband who regards Evelyn as a collector's item; the fire by a Greenwich Village Casanova who picks her up while she is on her way to join an organization designed to protect unsuspecting girls from bold strangers. He makes her his mistress and then tries to blackmail her. Mr. Woodward punctuates the novel with clever aphorisms and psychological digressions, but they do not conceal the ordinary melodrama of the book.

Contributors

Leon Trotsky is too well known to readers of The New Republic to need an introduction here.

Llewellyn Jones was literary editor of The Chicago Evening Post from 1914 until its recent death. He has contributed extensively to magazines and has written a number of books of literary criticism.

Paul Rosenfeld, who has written several volumes of literary, music and art criticism, is at present in Maine working on his second novel, his first having been "The Boy in the Sun."

Horace Taylor is a member of the Department of Economics at Columbia University.

Harold Ward's special interest is in the field of science and technology, on which subjects he has written reviews and articles for various publications.

Henry Steele Commager, professor of History at New York University, is the author, in collaboration with S. E. Morison, of "The Growth of the American Republic," which was published by the Oxford Press last year.

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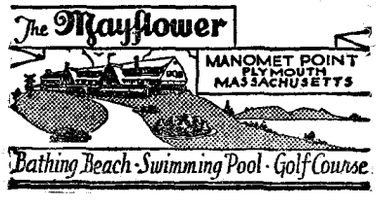

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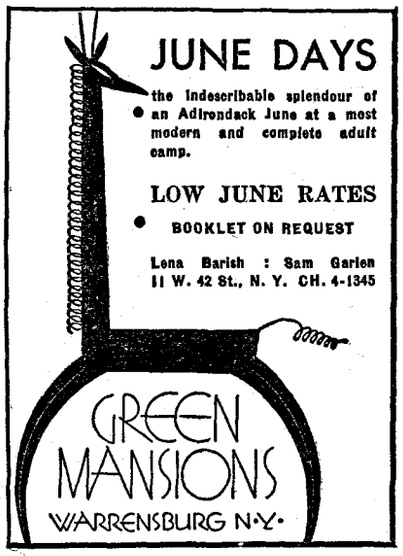
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